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No. 1

November 6th, 1945 Ballot Propositions

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San Francisco Bureau of Governmental Research

58 Sutter Street, San Francisco, California

"An incorporated non-partisan citizens' agency to study public business, cooperate with officials and specifically work for economy and efficiency in municipal affairs."

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The city will be paid a rental under long-term leases with the airline companies for the use of the sites to be provided for them under this bond issue. Pan-American World Airways have been negotiating for a 20-year lease with a 20-year renewal clause for a 50-acre site west of the Bayshore Highway. The yearly rental under the proposal would amount to \$432 per acre. This site would become the future Pacific Coast headquarters for Pan-American and a company expenditure of \$2,500,000 is anticipated for an administration building, hangars, maintenance shops, a cafeteria for employees and miscellaneous facilities.

The full development by Pan-American World Airways to follow completion of San Francisco Airport as planned from bond funds may eventually result in a \$7,000,000 outlay by this company, according to announcements. There are indications that Pan-American's investment may possibly be duplicated by American Airlines, which is negotiating with the city for a lease on 40 acres of airport property. The lease is contingent on anticipated final approval of the Civil Aeronautics Board of the extension of the airline from Los Angeles to San Francisco. The prospective lease provides for the payment of \$20,000 annually for 40 acres, or about the same rental called for by the Pan-American lease.

United Airlines announce they are prepared to spend at least \$1,000,000 immediately and employ several thousand employees following the expansion of the airport.

The number of employees of private companies to be accommodated on the improved airport will eventually reach 20,000, with an annual payroll of \$50,000,000, it is estimated. There are 5,000 at the present time.

Revenue From Many Sources

The city expects to pay the operating costs of the airport with revenues from a number of sources, with direct charges on the air transportation companies representing approximately one-third of the total. The official estimates indicate a net income before debt charges amounting to \$282,000. The official estimates show that in the third year of operation the airport will be returning a total revenue of \$1,097,532. Ground area and structural rentals will account for \$162,000, scheduled air carrier landings \$262,240, and \$118,400 from privately owned personal aircraft. The balance is expected from services, such as restaurants, which it is estimated will yield \$101,150; \$272,592 from utility services; public convenience and retail stores \$96,150.

Landing fees will recompense the city for use of the runway and other landing area facilities. The principal cities, according to the Public Adminis-

tration Clearing House on September 3, 1945 charged as follows for ten scheduled trips: Chicago and Pittsburgh, \$1,075; Philadelphia and Detroit, \$850; San Francisco and Los Angeles, \$800; Indianapolis, \$650; St. Louis, \$375; San Diego, \$250. Obviously San Francisco rates are competitive with Los Angeles and naturally both are the same amount.

Adjustment of schedule or landing charges can be made from time to time as conditions warrant. The current schedule was adopted June 23, 1941, by the Public Utilities Commission and provides a \$150 monthly charge per schedule for three scheduled trips and \$50 for all additional schedules.

Estimated Operating Costs

Operating costs in the third year are estimated to amount to \$815,600, with salaries accounting for \$350,000, according to the report of the manager of the airport. Reconstruction and replacement account for an estimated \$175,000 and other items, such as routine maintenance \$60,000, supplies \$36,000, contractual services \$60,000. Interest at one and a half per cent on \$20,000,000 in the average year of a twenty-year issue would amount to \$157,500 in addition to \$1,000,000 yearly redemption. The bond ordinance on the ballot does not specify the term of the bonds or the maximum rate of interest.

It is possible that the taxpayers for a few years at least may be required to pay some of the debt charges on the airport bonds. Some revenue forecasts indicate that this will be of short duration. Consideration should be given to estimates of indirect returns from increased purchasing power which will be provided by the industry and increased employment.

City Funds Invested in Airport Not Large

To date, the city has invested \$3,939,404 of city funds in the San Francisco Airport. The present value of the airport is roughly \$17,000,000. The difference is made up of funds contributed by the Federal Government. The city was paid \$10,000,000 for relinquishing all claim to Treasure Island, which was used to develop the San Francisco Airport.

One of the advantages of the present site over all others is the fact that \$17,000,000 has already been invested in initial phases of the development. The proposed bond issue is designed to complete the job. Other sites would necessitate expenditure for initial development and greatly increase the time of completion.

There have been some questions raised by individuals as to the necessity for an issue as large as \$20,000,000 and suggestions that the city should take advantage of federal funds. If and when federal funds are available, the city will be in a position to utilize such funds in whatever amounts may be received. The city, upon receipt of such federal funds, is not compelled to sell the entire issue, using bond funds only to the extent needed to meet the deficiency.

Bay Area Aviation Committee Favors Bond Issue

The proposed airport expansion program was studied in detail by the Bay Area Aviation Committee, under the leadership of Edward V. Mills. The committee consisted of representatives from numerous chambers of commerce from the communities in the bay area, representatives of the United States Army, Navy, aeronautical industry, business and government. The committee concluded that San Francisco's "sky harbor," like the ship harbor of San Francisco, is the leading commercial airport on the Pacific Coast.

The committee, after months of thorough study, reported that San Francisco's Airport is the hub around which all future bay area commercial air transportation will develop. The committee also concluded that the site of the present airport has proved to be a most fortunate and intelligent selection, with a record of 98.1 per cent in operating efficiency.

The Bay Area Aviation Committee gave its complete endorsement and support to the \$20,000,000 program of development and expansion of the San Francisco Airport.

Air Transportation to Expand

San Francisco is not alone in planning for the anticipated postwar expansion by air transportation. Philadelphia now has two major airports: the Southwest Airport at Hog Island and Northeast Airport near Roosevelt Boulevard and Grant Avenue. These two municipally owned and operated airports are to be improved and expanded. The plans now under consideration in Philadelphia call for longer runways, a more adequate terminal, drainage of additional areas, filling of drained areas to the level of the existing port, acquisition of more land for the Southwest Airport. Improvements planned for the Northeast Airport include a restaurant building, more adequate lighting, hangars, and utilities therefor. The Bureau of Municipal Research states that these improvements ought to be made without delay so that Philadelphia may not be relegated to a minor place in the national system of air transportation now being evolved.

It is clear from the statements coming from the east coast that Philadelphia, New York and other major cities are aware of the necessity for immediate action in order to keep from being left to play a minor role in the airline systems of the future. Action is required now, in the opinion of most authorities on the subject, if a city wishes to remain a major factor in the rapidly developing national system of air transportation. Needed improvements must be made without delay. Failure to do so probably would mean being relegated to a minor position.

The improvements at the San Francisco Airport, called for under the proposed bond issue, will provide for a greatly expanded air traffic and the use of larger planes. The transport planes projected for 1946-47 are an indication that the aviation industry expects traffic to increase many times in the near future. Larger payloads and lower operating costs eventually may lead to lower fares and consequently increased traffic from that factor. The Douglas DC-7 model, which has been test flown, will have a weight of 162,000 pounds fully loaded at take-off, a cruising speed of 260 m.p.h. and a passenger capacity of 108. The plane is expected by the summer of 1946. Lockheed's Constitution will have a maximum daytime passenger capacity of 150 and a gross weight fully loaded at take-off of 185,000 pounds. Consolidated's Model 37 is expected to have a gross weight at take-off of 320,000 pounds and a maximum daytime passenger load of 204. Cruising speed of this model is expected to be 340 miles and the practical range 4,200 miles, based upon currently available reciprocating engines of 3,500 horsepower. As a measure of the expansion forecast by the size and capacity of the planes planned by the industry, it is only necessary to compare with the prewar Douglas DC-3, still in use, a 25,000-pound plane with a 20-passenger capacity.

The voters' decision on November 6th will determine whether San Francisco shall play a major role in the developing air transportation systems of the Pacific and the nation, or relinquish that position, perhaps for all time, to a rival city.

by successive steps reaching \$2,700 at the start of the seventh year. Each grade of the higher ranking officers of the departments was also increased \$25 per month.

The current salary proposal provides for an increase from \$7,500 to \$9,000 for the Chief of Police. The Chief Engineer of the fire department also would be granted an increase of \$1,500 per year over the 1942 rate. The current wartime rate includes \$300 additional under the 1944 amendment. The Deputy Chief of Police would be increased from \$5,700 to \$7,500, an \$1,800 increase; Captain of Inspectors from \$5,300 to \$6,600; Supervising Captain of Districts and Department Secretary from \$4,300 and \$5,100 respectively to \$6,000; Captain of Traffic from \$4,300 to \$5,400; Captains and Criminologist from \$3,900 to \$4,980; Lieutenants from \$3,300 to \$3,900; Inspectors from \$3,060 to \$3,600; and Sergeants from \$2,940 to \$3,480.

Police patrolmen will be granted a \$300 annual increase and \$15 extra per month would be paid operators of motorcycles. The proposal on the ballot would decrease the existing six years of service required to reach maximum pay to three years. It provides that both fire and police officers shall receive \$2,700 the first year. Under existing provisions of the charter, police officers receive \$2,700 at the end of six years service, starting the seventh year. Firemen receive a wartime payment of \$300 additional but also require six years to reach the maximum. The measure would provide both firemen and police officers \$2,800 the second year, \$2,900 for the third year's service, and for the fourth year of service and thereafter \$3,000.

The measure would provide equality of pay between the two departments, insofar as it is possible to equalize salaries between officers of similar rank in the departments. The salaries which would be provided members of the fire department are as follows: starting with a salary of \$9,000 annually for the Chiefs of the two departments; First Assistant and Second Assistant Chief Engineer, \$6,000; Battalion Chiefs, \$5,100; Captains, \$3,900; and Lieutenants, \$3,600.

An analysis indicates that this proposal would cost an estimated \$650,000 in excess of the 1945-46 budget. However, as the 1944 \$300 annual increase granted personnel of the fire department is a wartime measure only and will automatically terminate, perhaps next year, the long-term effect would be an increase of approximately \$1,120,000 annually for both departments, including additional requirements for increased pension costs, due to the higher salaries.

Representative police department salaries in the larger cities, excluding the cities of New York and Chicago with five to ten times the population of San Francisco, indicate that the proposed maximum salary for patrolmen will put San Francisco fourth in a list of fifteen large cities. The three cities pay-

ing a higher salary than the proposed rate for San Francisco patrolmen are Detroit, with a top salary for patrolmen of \$3,263 annually, Cleveland with \$3,186, and Los Angeles with \$3,108. In most of these cities, the police personnel have received wartime increases or bonuses, which may not be continued into the postwar period. Oakland pays a top salary of \$2,880 to patrolmen, including a bonus which was created by ordinance and will continue six months beyond the declared end of the war.

The increase in the fire chief's salary to \$9,000 will, according to the salary range published in the Municipal Year Book for 1945, be second highest of the fifteen cities with a population of 500,000 up to 3,000,000 excluding Chicago and New York. Los Angeles pays the fire chief \$8,400 and Oakland pays \$6,930 per year, including the wartime bonus. Captains in the police department would be increased to \$4,800 per year, which, according to data compiled by the Baltimore Commission on Governmental Efficiency and Economy, would be the highest for the fifteen largest cities, exclusive of Chicago and New York. If these two cities are included, the proposed captain's salary still would be second only to the City of New York. The nearest comparable salary would be \$4,740 paid by the City of Los Angeles.

The measure has the approval of Mayor Lapham and the Fire and Police Commissions.

Charter Amendment No. 5

Bonds of Officers and Employees

Charter Amendment No. 5 would amend section 8 of the charter, clarifying existing language in the charter and definitely grant the Board of Supervisors the right to determine, by ordinance, who shall be bonded and the terms, forms and conditions of surety bonds required of City and County officers and employees. Under somewhat similar language of existing section 8, it has been found necessary to bond all officers, commissioners, board members and supervisors. Bonds to be furnished by the controller and tax collector will remain fixed at \$100,000 each. The bonds of the county clerk and public administrator will remain at \$50,000 each.

The measure will make possible a substantial reduction in the annual cost of surety bonds. The premium paid by the city for 1945-46 amounts to approximately \$16,500. The measure was unopposed.

Charter Amendment No. 6

Steinhart Aquarium Employees

For the second time in a year voters of San Francisco will be called upon to pass upon an amendment to section 52 of the charter, extending civil service rights to employees of the Steinhart Aquarium. In the last-minute rush that usually accompanies submission of charter amendments in the Board of Supervisors, the measure was submitted in 1944 and it has been found practically unworkable. It would take a court suit with a doubtful outcome or a charter amendment to complete what the voters thought they approved in November 1944.

Under the language of the first amendment, the dozen or so employees affected were placed under civil service, but their status as city employees in other particulars has been questioned. This measure would correct the present situation by providing that all positions in the aquarium, for which funds shall be provided by the City and County, except the director, the secretary, the curators and other professional personnel and part-time positions, shall be held by employees of the City and County. The measure reaffirms the 1944 amendment, which "blanketed in" employees of the aquarium, and definitely provides that such employees shall have all rights and privileges of a City and County employee from and after January 16, 1945. The 1944 measure was vague and ambiguous in this matter.

The Steinhart Aquarium, under the deed of gift, is operated by the California Academy of Sciences, to whom the city contributes \$60,425 in the 1945-46 budget towards the support of the Steinhart Aquarium and Simson African Hall.

The measure was unopposed at the public hearing by the Board of Supervisors and the Supervisors' Judiciary Committee.

Charter Amendment No. 7

Vacation Allowance

Charter Amendment No. 7 would amend section 151 by granting an annual vacation with pay of three calendar weeks for City and County employees, with five years or more of service, and retaining the existing two calendar weeks for employees with less than five years' service, but with one or more year's service. Vacations would be cumulative up to six weeks, under the proposed measure, which is a departure from current practice.

The proposal was originally introduced by the CIO and called for a vaca-

tion of 15 working days, cumulative up to 45 working days. The revised measure now on the ballot, would be a new departure for municipal jurisdictions. Major California cities and, as far as is known at the present time, the major cities of the country, do not provide for vacations in excess of the vacation allowance now provided by the charter. The cumulative feature also is a new departure, as heretofore vacations were required to be taken each year. It has generally been considered in the best interests of the city and the employees to require annual vacations from a health and efficiency standpoint. It has been estimated that the over-all loss would be roughly \$480,000, with a somewhat lower amount in actual increased cost for replacement during the vacation period. The extent of replacement varies among the different departments, with such departments as the Municipal Railway generally requiring 100 per cent replacement. The actual direct cost cannot be estimated, due to the fact that the extent of replacement and possible overtime payments in lieu of replacement cannot be determined.

The state provides a vacation of 15 working days for state employees. A few counties are said to have followed the state's example. The federal government grants a greater vacation allowance than the normal two calendar weeks almost universally the rule in other public jurisdictions. The salaries paid by the federal government generally are below comparable positions in the City and County service and probably one of the factors which affected the rates was the length of the vacation period granted. The salary schedule based upon the salary standardization survey of 1943-44 took into consideration all factors having a bearing on salaries and employment, including the length of the vacation period.

The Mayor, in a letter to the supervisors, following the introduction of the measure in the board, asked that it be held over for further study for possible consideration at a later date. The proposal is opposed by the majority of tax-paying and business groups.

Charter Amendment No. 8

Civil Service Commission Meetings

Charter Amendment No. 8 would add a provision to section 140 of the charter, the intention of which is to require public meetings of the Civil Service Commission to be held at a time that will give the public and employees an opportunity to appear before the commission after the regular daily working hours of eight a.m. to five p.m. and to give any person an opportunity to be heard by the commission before final action is taken in cases involving such persons. The measure omits the provision that the commis-

sioners shall appoint a secretary, who shall be the executive officer of the commission.

Section 19 of the charter, which provides for the general powers and duties of all boards and commissions, now requires that all regular meetings of boards and commissions shall be open to the public. It is the present practice of the commission to hold public meetings and to continue meetings until 5:30 p.m. and later. This practice meets the proposed requirements of the charter amendment. Section 19 also provides for the appointment of a secretary, a superintendent, or other executive to be the administrative head in charge of the affairs of a board or commission. The provision in section 140 providing for the appointment of a secretary, who shall be the executive officer of the commission, was inadvertently omitted when the measure was amended during the proceedings in the Board of Supervisors and may or may not affect the status of the secretary. It does not, however, add to the value of the measure on the ballot.

The measure was originally introduced by the 1945 Grand Jury and included a proposal to change the existing number of commissioners from three to five and reduce the term of office from six to four years. It was contended that this change would improve civil service procedure and expedite matters coming before the Civil Service Commission. The changes were not considered to have the value attached to them by the Grand Jury. The fixed six-year term for members of the commission, not subject to removal by the Mayor, was written into the charter to prevent possible control by a politically minded mayor shortly after coming into office.

The amendment would provide that all persons shall be given an opportunity to be heard by the commission before final action is taken in any case involving such person or persons. If this is interpreted to mean that every case coming before the Civil Service Commission shall be given an oral hearing and in lieu of statements in writing, it might affect proper functioning of the commission, slow up procedure, or prevent final closure of cases pending before the commission until every person had been given an oral hearing.

Charter Amendment No. 9

Surplus Commodity Purchase

A new section, section 88.1, would be added to the charter with the adoption of this measure, which would grant the purchaser of supplies the authority to purchase any commodity either from the federal government or from the State of California, without advertising for bids for said commodity and without securing a written contract.

The measure was introduced for the purpose of allowing the city to take advantage of possible future opportunities to purchase surplus commodities from either the federal authorities or the State of California. The measure does not limit purchases to surplus commodities.

Charter Amendment No. 10

Supervisors' Committee Meeting Compensation

Under the proposed amendment, each supervisor would be paid an additional \$15 for attendance at each committee meeting, in addition to the \$2,400 per year salary now provided for supervisors.

The payment for attending committee meetings was limited to six committee meetings in any month, but inadvertently may prove to be more theoretical than real. The amendment states that "in the event more than six meetings of a committee shall be held in a calendar month, the members of the committee attending meetings shall be paid for such attendance for only six meetings in such month." The language indicates that the limitation of six meetings applies to "a committee" and may possibly permit supervisors to receive compensation for services on several committees, and in excess of six. Each Supervisor serves on three committees.

Assuming the board continues to operate as in the past, members of the finance committee would be the chief beneficiaries under this proposal. The finance committee and perhaps the street committee meet fairly regularly every week. Other committees have periodic meetings, but generally not more than twice a month. If the proposed payment amendment, providing pay for service on committees, did not stimulate additional committee meetings, the cost, under existing conditions, probably would be less than \$10,000 annually. The possibility that the number of committee meetings might be greatly increased under this proposal would be more important than the extra cost, because of the necessity for citizens, taxpayers' organizations and other persons interested in matters on committee calendars, to attend a greater number of meetings. What is meant by attendance has not been defined, being left to the discretion of the individual supervisor.

Charter Amendment No. 11

Appointive Officers Salary Standardization

Salaries of appointive officers of the City and County, except members of boards and commissions, the superintendent of schools and officers of the police and fire departments, would be stricken from the charter and there-

after be fixed in accordance with the salary standardization provisions of the charter. This proposal would remove from the charter the \$12,000 annual salary of the chief administrative officer; the \$12,000 salary of the manager of utilities; the \$10,000 salary of the controller; the \$8,000 annual salary of the director of public works.

The salaries of the elective officers, including the mayor, city attorney, district attorney, public defender, assessor, sheriff, and treasurer, would remain fixed in the charter. These salaries range from \$10,000 per year for the mayor and city attorney down to \$8,000 annually for the remaining officers.

In the public hearings in the Board of Supervisors the restrictive provisions of the charter and the alleged lack of ability to get good men for current salaries were given as reasons for submission at this time. There is little doubt about the purpose of this measure. The move to place these salaries under salary standardization is to secure an increase for these officers by that procedure, rather than a direct appeal to the public for an amendment increasing the salaries fixed in the charter. Another argument advanced in favor of submission was that in two or three instances employees under these executives received higher salaries than the executives. In one instance, the city engineer is paid \$10,000 per year and the director of public works \$8,000 per year, although the city engineer is subordinate to the latter.

The charter framers included the salaries of these officers in the charter in order to protect both the officers and the public from the possibility of political trading over salaries. Under salary standardization these salaries would be based upon salaries of similar positions elsewhere in private and public employment. The Civil Service Commission would recommend and the Board of Supervisors would approve these salaries along with the salaries of other employees under the standardization provisions of the charter.

Opposition to this proposal was expressed by A. F. of L. union representatives and employee spokesmen. Employee spokesmen held that the anticipated large increases in these few salaries would make it easier for downtown taxpayers' groups to defeat adoption of salary schedules under salary standardization. Opposition also was raised to the fact that this measure put the interests of the top-ranking employees on the same plane and with the same interests as the rank and file of employees.

The majority of the elective officials occupy no higher level of authority than the appointive officials involved herein and differ only in the method of selection. One is appointed, the other is elected. For this reason, if it is sound to maintain a fixed salary in the charter for elective officials including the mayor, and the evidence points to that conclusion, it is equally sound to keep the highest level of appointive officers out of salary politics. The framers of the charter adopted the principle when they established the salaries of certain

officials in the charter. Governmental authorities generally have the same point of view on this matter.

Charter Amendment No. 12

Department and Bureau Heads

Charter Amendment No. 12 would amend section 62 by removing the \$6,000 maximum salary limitation placed on the salaries of the tax collector, recorder, county clerk, public administrator, and coroner. These officers were elective prior to the effective date of this charter and have since become subject to civil service provisions of this charter. The purpose of this measure is to allow salaries in excess of the amount prescribed as a limit by existing provisions of the charter. These officers already are subject to salary standardization as well as the maximum limitation on salaries.

The officials affected by this amendment state that the salary limitations were placed in the charter in 1930, during the period of depression and low salaries, and that both salaries of similar positions in the larger public jurisdictions have advanced well beyond the \$6,000 maximum.

The proposal was opposed during the public hearings before the Board of Supervisors by representatives of employees' organizations along with the previous charter amendment, affecting the salaries of officials in the higher bracket, whose salaries are fixed by charter.

Charter Amendment No. 13

Agreed Rate of Pay

This proposed new section of the charter, 151.3, would require that when a rate of pay has been established by collective bargaining agreement and is recognized and paid throughout the industry and establishments employing groups or crafts also employed by the City and County, the Civil Service Commission shall determine that such rate is generally prevailing for such groups or crafts in private employment in San Francisco and report their findings to the Board of Supervisors. It shall be the duty of the Board of Supervisors to fix such rates as the compensations for similar groups and crafts employed by the City and County.

The compensation so established will become effective at the start of the succeeding fiscal year, providing the Civil Service Commission has certified

the proposed rate of pay to the supervisors before April 1st. After April 1st the new rate will go into effect on the second succeeding fiscal year.

The measure states that the Board of Supervisors shall have the power and "it shall be its duty to fix such rate of pay" as the Civil Service Commission has certified is generally prevailing in San Francisco, for such groups or crafts resulting from collective bargaining agreements. The language of the measure would leave the supervisors little or no discretionary power to determine whether or not the Civil Service Commission has acted with proper discretion in the matter. The sole power to determine the wages of all crafts, and other union groups, such as janitors, clerks, and elevator operators, representing several thousand men, will rest with and on the judgment of the Civil Service Commission, an appointive, non-removable three-man commission. In case of an error in judgment, there does not seem to be any recourse other than the courts, which would be slow, expensive and uncertain of outcome.

Charter Amendment No. 13 was submitted at the request of the San Francisco Building Trades Council. This amendment would provide an alternative method for fixing compensation of certain employees to the present system of an overall salary standardization survey and report in accord with provisions of section 151 of the charter. Establishing wages in accord with industry-wide union agreements has been the practice in all salary standardization surveys to date, so that the proposed amendment would not set up any new method of fixing wages. It would establish an alternative procedure, which would allow adoption of such union craft rates more frequently than is possible under salary standardization.

The proponents say that this proposal would make it possible to keep the various crafts and other groups affected by union agreements abreast of generally prevailing union rates of pay in San Francisco. The procedure under this measure would appear to be advantageous to the employees only as long as wages are increasing. In a period of falling prices and wages, this method of wage adjustment, which appears almost mandatory in nature, would be viewed by the employees with considerably lessened favor.

Opposition to the measure is based on dividing the City and County employees and granting different treatment to a portion of the employees, who happen to be affected by union agreements. It would split up the employee group and partially nullify the principle of standardization procedure, which calls for equal treatment for all employees, regardless of character of employment or membership in unions. It is considered a form of piecemeal salary adjustment, which brought about the submission and adoption of an amendment to the charter in 1942.

On the other hand, if the salaries of these various groups or crafts affected by collective bargaining agreements had been adjusted in the past, by taking

into consideration public jurisdiction rates in California, the differential between public and private employment conditions as well as private employment rates, the change would be a real departure from current practice. As it is drafted, the measure would continue current practice, but allow for an alternative method to salary standardization. Changes in three or four union rates in private employment, following the last salary standardization survey, were the bases of demands that brought about the current salary standardization survey. This survey will cost the city \$12,500 or more and requires a re-survey of every classification in the city's service, as well as the relatively few demanding the survey.

The policy of rigid adherence to the same standard of pay fixed for the building trades is questionable. The building trades in private employment suffer from loss of pay for inclement weather, seasonal factors, periodic building booms and depressions. These factors limit the annual "take-home" wage to considerably less than the 254 days or more steady year-round work enjoyed by city employees of similar crafts. The high daily wage paid the building trades takes into consideration the normally intermittent character of the work.

Charter Amendment No. 14

Trials for Promotive Appointees

Civil service employees would be given the right to appeal and a hearing before the Civil Service Commission wherein employment was terminated during the six months' probationary period, provided that the appointment resulted from a promotional examination. The commission may declare such appointee either dismissed or order the employee reinstated in his position without prejudice, or order the return of such employee to the position from which he was promoted. The decision of the commission shall be final and the commission may grant the employee the salary from the time of the termination of his appointment following reinstatement.

This measure was proposed by the CIO. Under existing charter provisions, the appointing officer may terminate appointment at any time during the six months' probationary period. The Civil Service Commission shall inquire into the circumstances and may declare such person dismissed, or may return the name to the list of eligibles for certification to another department. The proposed amendment would place further restrictions on the executive officer's power to select competent employees. Section 154 now gives the Civil Service Commission the right to over-rule an appointing officer in cases of dismissal after permanent appointment. There are no grounds on which an

executive may remove an undesirable employee without facing the possibility of being over-ruled by the Civil Service Commission. Often in the past the result of actions under section 154 has been that the executive was on trial instead of the employee.

Under the "rule of one" only the employee who heads the eligible list is certified to an appointing officer when he requests the Civil Service Commission for a person to fill a vacancy. In many jurisdictions the "rule of three" is allowed, thereby giving the head of the department and appointing officer an opportunity of exercising some judgment and selectivity.

Proponents of the measure state that it would prevent some abuses, which have occurred in the past. Employee representatives stated, during the hearing on this measure by the Board of Supervisors, that there were cases on record wherein an employee had been allowed to stay in the position to which he had been promoted to the last hour of the last day of his probationary period before being dismissed.

The practical effect of this proposed amendment would be similar to provisions of section 154, wherein the Civil Service Commission may over-rule a department head in all cases regardless of the cause of dismissal. This has led to a reluctance on the part of department heads to exercise their right to act in any but the most aggravated cases. Furthermore, there is a possibility that the measure may be in conflict with dismissal procedure set up in section 154, wherein written records and statements are the bases for decisions of the Civil Service Commission, such procedure being provided in order to correct a deficiency found in the previous charter.

Charter Amendment No. 15

Health Service System

Employees of the civil service employees' Health Service System would be made eligible for membership in the city's retirement system at the city's expense under this proposed amendment to section 172.1 of the charter. A change in the amount of bond to be furnished by directors of the system from \$10,000 to one thousand dollars is unimportant.

Under existing provisions of section 172.1, all expenses of the city employees' Health Service System are provided by monthly contributions from City and County employees. The system is said to have 15 employees who are members of the retirement system at the present time. The cost, however, is borne by the system from members' contributions.

This amendment would transfer to the taxpayers the cost of contributions to the retirement system and any payments made in connection with the State

Labor Code compensation insurance provisions. The amount is small at the present time, amounting to an estimated \$1,700 yearly.

When the Health Service System was created by the adoption of a charter amendment in March 1937, the sponsors promised the supervisors and the public that the city would not be put to an expense of any kind in connection with the establishment of the system. An amendment placed the selection of employees of the system under civil service and the retirement system, but continued the pledge not to accept tax funds. Charter Amendment No. 15 proposes to transfer a small portion of the cost of maintaining this Health Service System to the taxpayers. This measure might be the opening wedge leading ultimately to operation of the employees' Health Service System by the city at the taxpayers' expense.

DECLARATION OF POLICY

Continuation of Farmers' Market

This policy declaration concerns the continued operation of the Farmers' Market, which has been under the jurisdiction of the Chief Administrative Officer since July 1944 and which, since August 1943, has allowed the direct sale from farmer to consumer of fresh fruits and vegetables, said to consist largely of distressed crops.

The city assumed control of the market by an ordinance of the Board of Supervisors, which authorized the Chief Administrative Officer to establish and direct the operations of a market for growers for the duration of the war and six months thereafter. Only bona fide growers are allowed to sell at the market and resales and commissions are not permitted.

Financially the Farmers' Market is virtually self-supporting, having operated during the last fiscal year with a deficit of \$114. During that period, the expenditures by the city totalled \$5,843 while revenues from entrance and stall fees amounted to \$5,729. The only city employees required are a Market Master and a part-time janitor.

The present site of the market is a large open area at Duboce Avenue and Market Street for which the city pays \$50 per month rental. The lease expires on July 1, 1946. The market comprises 70,000 square feet and has thirty open front sheds for the produce displays of the growers. Fees charged the growers are fixed by the Board of Supervisors. The city invested approximately \$2,600 in a small building on the premises. The city anticipates revenues will be sufficient to refund this expenditure by next July in the event the market is moved to a new location.

The Agricultural Commissioner, who is responsible for supervision of the market, reported at the first of this year that during the preceding 16 months the market handled 27,500 tons of produce, valued at \$3,750,000, which came from 22 counties of the state.

A declaration of policy may be submitted to the voters by one-third of the Board of Supervisors (four signatures) or by the Mayor. Under section 179 of the charter when a declaration of policy is approved by a majority of the voters voting thereon, it shall be the duty of the Board of Supervisors to adopt an ordinance carrying out principles or policies of the measure approved by the electorate. The legislation is subject to the referendum provisions of the charter, in the same manner as other ordinances of the supervisors. The proposal on the ballot was ordered submitted by Supervisors Chester MacPhee, Dewey Mead, Jesse Colman, John Sullivan, and Adolph Uhl.

The City

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No. 1

NOVEMBER 5th, 1946 BALLOT PROPOSITIONS *State and Local Measures*

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with officials and specifically work for economy and efficiency in municipal affairs."*

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STATE PROPOSITIONS

Proposition No. 1

Veterans' Bond Act of 1946

Proposition No. 1, submitted to the voters by the Legislature, provides for the issuance of \$100,000,000 in state general obligation bonds, the proceeds of which will be used by the Department of Veterans' Affairs for financing veterans' farm and home loans, in accordance with provisions of the veterans' farm and home purchase act. The Department of Veterans' Affairs is the successor to the Veterans' Welfare Board.

Under the supervision of the Veterans' Welfare Board, a total of \$110,000,000 in bond funds has been loaned to veterans under the rules and regulations of the board and the state act. Between the years 1922 and 1934, a total of \$80,000,000 was authorized and loaned to veterans of the first world war. At the November 7, 1944 election, the voters approved the proposition authorizing the issuance of \$30,000,000 in bonds, which has been used to provide farm and home loans for veterans of World War II. The funds from this issue have been exhausted.

The veteran pays taxes on his equity in the property in excess of the veteran's \$1,000 tax exemption. The practical effect of the exemption is partially to eliminate tax payments. It is contended that these home and farm loan measures are in competition with private lending agencies and banks who now are able to make loans for home and farm purchases at considerably less cost to the borrower than in the early 1920's when this plan of state aid originated. The G. I. Bill provides more liberal terms under which loans may be made than the state act. Under the federal statute, the veteran does not need a down payment, whereas the state requires 5 per cent. The sale of the property also is restricted by the state. The veteran may borrow up to \$7,500 on a home worth no more than \$10,000 and up to \$13,500 on a farm worth not over \$15,000. At present the interest rate charged the veteran is 3 per cent per annum. The ability to secure any kind of a home or farm at present under these limitations is questionable. The real estate market is quite different from that prevailing when the bulk of the previous \$110,000,000 was loaned to the veterans.

Loans made on present-day purchases, involve property at considerably higher prices than in prewar days, when most of the existing loans to veterans were made under the state act. It is more than mere speculation to anticipate that prices will recede from the present high level and that the state will incur losses in repossession and resales.

It is anticipated that the bonds may be sold by the state at a low rate of

interest, probably less than 1 per cent, thereby providing the basis for a low interest charge to the veterans. However, the possibility exists that at some future date the effect of large outstanding general obligation bond issues on interest payments on future state bond issues may be to increase such cost to the taxpayers. The interest to be charged the veterans can be periodically adjusted within the range fixed by the act of $2\frac{1}{2}$ per cent minimum and 4 per cent per annum maximum.

It is generally conceded that this type of veteran legislation is superior to direct aid in the form of bonuses, which is granted by some states, and it establishes veterans in a community with a personal interest in its future development.

Proposition No. 2

Greyhound Racing. Initiative

This is an initiative proposition, which would permit greyhound racing and pari-mutuel wagering thereon in counties having a population of over 175,000. The measure is sponsored by the Los Angeles Greyhound Association. The measure provides for the establishment of a board for licensing dog racing and wagering thereon, in accordance with regulations prescribed by the board. It authorizes 74 racing days in each year in Los Angeles County and the San Francisco metropolitan area. Twenty-five days' racing will be permissible in other counties eligible to allow greyhound racing needs under the population limitation. It provides that 8 per cent of all wagers shall be deducted from the totals wagered, of which 4 per cent will be paid to a fund for pursuing claims of veterans against the United States and this state for veterans' rehabilitation.

This is a regulatory measure and outside the purview of the Bureau.

Proposition No. 3

An Initiative Constitutional Amendment Setting Up a Statewide Minimum Teachers' Salary of \$2,400 and Increasing State Aid to Counties

This is an initiative constitutional amendment, sponsored by the California Teachers' Association, which proposes to amend section 6 of Article IX and section 15 of Article XIII of the Constitution to provide a minimum annual salary of \$2,400 for school teachers and to increase state aid in support of the public schools from \$80 to \$120 per pupil in average daily attendance during the preceding fiscal year in the kindergartens and the elementary schools. It also proposes increasing from \$90 to \$120 the state allowance for secondary

schools and technical schools. The measure also freezes state colleges in the public school system by prohibiting, directly or indirectly, their transfer from the public school system to any other jurisdiction. It guarantees \$90 per pupil in average daily attendance to every school district, leaving the remaining \$30 subject to legislative discretion, as is the case now. Kindergartens have been elevated to state aid status at the rate of \$120 per pupil per year, a new departure.

The added cost to the state, involved in this measure, is variously estimated to amount to \$40,000,000 to \$50,000,000. Adoption of the measure almost certainly involves an increase in the state sales tax to offset the increased subvention required from the state.

Proponents of the measure claim that over 10,000 emergency credentials have been issued by the state to teachers who could not qualify under the rigid requirements for regular teaching credentials. Over 7,000 retired teachers or teachers who had left the service to marry have been induced to return to teaching during the war. They claim that more than 18,000 teachers are getting less than \$2,400 a year. The reason advanced by the proponents for increasing the teachers' minimum salary is to encourage a larger enrollment in the teaching courses. They claim that California must recruit 40,000 additional teachers for the next eight years at the rate of 5,000 teachers each year, provided the state wishes to maintain educational standards and properly train the larger population of children.

The direct effect of the measure on San Francisco teachers' salary ranges is less than the rest of the state, due to the higher salary level in this city. The lowest salary in the San Francisco school department is \$2,340 per year for the first year elementary teachers, of which there are but few. On the other hand, the measure, by increasing the state's contribution from \$80 and \$90 to \$120, and extending state aid to kindergartens, means an estimated \$2,000,000 increase in the city's share of state school funds.

This proposition was not taken to the Legislature for adoption, but directly to the people via the initiative. The initiative should not be used until the Legislature fails to act and thereby has obstructed the people's will in refusing passage to vital legislation. The measure is a further restriction of the home rule principle, in that local authorities lose the right to fix school teachers' salaries. The \$2,400 minimum has been set up for all areas of this state regardless of living conditions and cost of living in different regions of the state. The measure proposes to "freeze" a minimum salary into the Constitution for many thousands of employees who are under hundreds of different employers and distributed in all parts of a large and economically diversified state.

The measure also extends state aid to kindergartens in the same amount as elementary schools, thereby putting a premium upon establishing kinder-

gartens in rural areas where they have never been considered a necessity. The measure offers a conflict in its provisions in that it provides a possible base for an extension of the kindergarten system and thereby creates the need for more teachers, while at the same time increasing the minimum salary level of school teachers in order, its sponsors claim, that more teachers can be brought into the public school system and alleviate a teacher shortage.

The Legislature can appropriate additional funds whenever the schools can demonstrate an actual need for such funds. It is not necessary to write into the Constitution the added amounts for school support nor the minimum salary for teachers. Everything expected to be accomplished by the measure, with the exception of freezing the state college system, can be put into effect by legislative enactment.

Proposition No. 4

Business Loans for Veterans

Proposition No. 4 is an assembly constitutional amendment to section 31 of Article IV, which authorizes the state to grant business loans to veterans. The proposed amendment makes an exception to the constitutional prohibition against lending or giving state credit to any person, corporation or political subdivision, exempting veterans and permitting state loans to veterans for business purposes. Existing legislation restricts loans to veterans for the purchase of homes and farms.

The measure does not provide adequate safeguards for loans of this character. The mortality rate of new business ventures is exceedingly high, with the rate said to go as high as 95 per cent. Experience, which is essential to the success of any business, is not required.

Veterans may secure loans to go into business on favorable terms under the federal G.I. Bill of Rights. There have been no reasons advanced as to why federal aid should be supplemented by state aid, as federal assistance is available to all veterans of World War II. State loans on the purchase of veterans' homes and farms provide the state with security in the form of fixed improvements and real estate, with the title to the property held by the state. A large staff would be necessary first to investigate and then to administer the loans. Under this measure security for the loans would consist largely of intangibles. The state, in assuming title to the security, also may become involuntarily involved in a variety of small businesses for a greater or lesser period of time, in trying to liquidate or retrieve some part of the loans on businesses that failed.

Proposition No. 5

Creation of Court for Tax Appeals

This proposition is an assembly constitutional amendment, adding sections 4d and 4e to and amending section 1 of Article VI of the Constitution, providing for the creation of a new court to be known as a Court of Tax Appeals, consisting of three judges of appellate grade, selected in the same manner as justices of the Supreme Court. The new justices will serve a 12-year term, the same as the membership of the Supreme Court. Salaries of the new justices will be the same as the salaries of justices of the district courts of appeal. The new Court of Tax Appeals to be created by this proposition will have statewide appellate jurisdiction over appeals from the superior court in all cases involving the legality of taxes and assessments. It will have jurisdiction of all cases transferred from the Supreme Court or district courts of appeal.

In addition to the authority of the proposed new tax court under this amendment relative to hearing cases on appeal from the superior court, the Legislature is authorized to grant the new court authority to review in the first instance the decisions of any public officer or board of statewide jurisdiction involving the legality, collection, imposition of taxes and assessments, and may establish the nature and extent of such review. In case the tax business of the court is not sufficient to keep it busy, proceedings pending in the Supreme Court or district courts of appeal may be ordered transferred to the tax court by the Supreme Court. The measure has no effect on local jurisdictions but is applicable only to decisions of state offices, boards and commissions, such as the State Board of Equalization.

Proponents of the measure contend that it would provide a tax court similar to the federal tax court for taxpayers seeking judicial review of tax impositions. It is claimed that the proposed court will be better qualified to handle technical and specialized tax cases. Proponents anticipate a more uniform application of the tax laws than at present, as such cases will be dealt with by a single court.

Opposition to the measure includes Chief Justice Gibson of the State Supreme Court and is based on the contention that the number of tax appeals is not sufficient to engage more than 20 per cent of the proposed tax court's time; that less than half a hundred tax cases in an average year are up on appeal; that the necessity for another appellate court has not been demonstrated by appellate court calendars. It is estimated that the cost of maintaining a travelling court, as proposed by this measure, would amount to \$100,000 to \$125,000 per year, exceeding the cost of an additional district court of appeal, if such a court were found necessary.

Corrective legislation seems desirable, but the current proposal fails to meet the confusion caused by a multiplicity of state taxing agencies at the administrative level, and a great number of the appeals involve administrative interpretations. Statewide tax agencies include the State Board of Equalization, the Franchise Tax Commissioner, the Department of Motor Vehicles, the Department of Public Health, Department of Industrial Relations and several others, which appear to provide the basis for public complaints and corrective legislation. Corrective measures might include the recommendations incorporated in the final report of the Committee on State Organization appointed by Governor Merriam, which was submitted to the Governor and the State Legislature. This report recommends (p. 51) the appointment of an administrative Board of Tax Appeals to be appointed by the Governor with consent of the Senate, with power to review administrative tax decisions of all kinds. The proposed amendment lifts administrative interpretations, of which there are a great number, to the judicial level of government where they do not belong. An appeals board probably would make a special tax court unnecessary.

Proposition No. 6

Annual Sessions of the Legislature

Proposition No. 6 amends sections 2, 34 and 34a of Article IV of the Constitution, providing for annual sessions of the Legislature and an annual state budget. The measure limits sessions during the even-numbered years to consideration of the annual state budget, revenue acts in connection therewith, proposed constitutional amendments, the approval or rejection of charters and charter amendments of cities, counties, and cities and counties, acts necessary to provide for the expenses of the session, acts calling elections, and urgency measures requiring a two-thirds vote.

The sessions in the even-numbered years would begin on the first Monday of March and regular sessions in the odd-numbered years would continue to be devoted to general legislative matters and would convene on the first Monday after the first day in January.

Proponents make the following claims for the measure: that with the growth of the state and its present population of over 9 million, and with the enormous increase in expenditures, it is essential to have annual budgets; that the biennial budget requires state officials and departments to estimate their needs as much as two and a half years in advance, with the result that budgets are necessarily padded in order to provide a cushion against unforeseen contingencies; and that estimating the requirements of the state 18 months in advance would be more accurate and a closer budget could be maintained. The Legislature would be expected to be able to scrutinize more closely expenditures and the necessity therefor.

Although the measure limits the interim sessions in the even-numbered years to urgency legislation, it is generally conceded that urgency bills are pretty much what the Legislature decides they shall be. The yearly session would encourage calling special sessions to coincide with the budget session and include for consideration whatever the Governor desires or can be prevailed upon to include. An important consideration involved in annual sessions of the Legislature concerns the uncertainty of frequent legislative changes to taxpayers and business generally. There is no guarantee of improved budgeting by changing from biennial to annual budgets, as improvement cannot be expected from more frequent examinations without improved technique, but can come only through improved investigation by qualified fiscal experts.

Proposition No. 7

County Boards of Education

Proposition No. 7 adds section 3.3 to Article IX of the Constitution, which provides that county boards of education in chartered counties may be elected rather than appointed, as at present, and that qualifications and terms of office may be established by county charter instead of general law.

The proposal applies to nine chartered counties, but not to the City and County of San Francisco. County boards of education are appointed by the respective boards of supervisors in other counties. The duties of the county boards include fixing the course of study, passing on certification of teachers, and issuing diplomas for elementary schools. It is understood that the measure originated in San Diego County, where some citizens desire to try an elective system as an experiment. The objective ultimately is said to be an elected county board with the power to appoint a county superintendent of schools. Under existing laws the county superintendent is elected. As the ballot measure is an enabling act only, application of the amendment would require a vote of the people in chartered counties in each instance.

Proposition No. 8

County Superintendents of Schools

This measure adds section 3.1 to Article IX of the Constitution, which requires that qualifications and salary of county superintendents of schools shall be fixed by the Legislature instead of local authorities. The Legislature also shall classify the counties in the state for the purposes of salary and qualifications.

Proposition No. 8, like the previous measure, does not affect the City and County of San Francisco.

The measure is an obvious violation of the home rule principle by taking

away the power of local authorities to fix salary and qualifications of the county superintendent of schools.

Proposition No. 9

State Superintendents of Public Instruction

Proposition No. 9 grants the State Superintendent of Public Instruction the right to nominate three associate or assistant superintendents of instruction and one deputy superintendent for appointment by the State Board of Education for four-year terms, who shall be exempt from civil service.

Allowing the state superintendent to select his staff conforms with practice in many of the larger school jurisdictions. It is in line with the theory that an executive responsible for the administration of a large and important function of government should have a few assistants of his choice upon whom he can depend to carry out his policies and program.

The removal of three or four men from the ranks of civil service hardly constitutes a recession from the principle of a merit system, as opponents to the measure claim. This step should not necessarily be a precedent for other employments, as each case should be considered on its merits.

Whether the change in the method of selecting the state superintendent's chief assistants will improve administration and the educational system or not is problematical and depends entirely on the men selected. Either system will work with the right personnel in office.

Proposition No. 10

Salary of the Governor

This measure authorizes the Legislature to fix the Governor's salary, but setting the minimum at not less than \$10,000 per year. The act limits increases or decreases in salary of the state officers named in the measure after the fifty-seventh regular session of the Legislature (1947), from becoming effective during their terms of office. The officers named in the act include besides the Governor, the Lieutenant Governor, the State Controller, Secretary of State, Superintendent of Public Instruction, and State Treasurer, all of whose salaries may be fixed at any time by the Legislature at not less than \$5,000, under existing terms of the Constitution.

The voters, in 1944, provided the Legislature with the authority to fix salaries of the other officers named in the constitutional provision, which is being extended to include the Governor in this amendment. Since the people have elected to allow the Legislature to set the salaries of other officers of the state, including the Lieutenant Governor, there does not appear to be any reason for making an exception in the case of the Governor.

Proposition No. 11

Fair Employment Practices Act

This is an initiative measure, which provides for equal employment opportunity by making it unlawful to refuse to hire, to discharge, or discriminate in conditions of employment against any person because of race, religion, color, national origin or ancestry. A commission would be established to prevent such practices by order, by conciliation, or by educational methods. Acts of the commission are reviewable by the courts. The operation of a similar act in New York state has caused employers considerable difficulty.

This is a regulatory measure, which is not concerned directly with state and local finances or governmental procedures, and is not considered in the Bureau's field of activity.

Proposition No. 12

Amendment of Laws Adopted by Initiative

This measure is a senate constitutional amendment, which adds section 16 to Article IV of the Constitution authorizing the Legislature to propose amendments to, or repeal of, laws enacted by initiative. The act provides that any legislative proposal to amend or repeal an initiative, must be submitted to a vote of the electorate.

The adoption of this proposal will provide an alternative and a more flexible method to the present expensive and cumbersome process of amending or repealing initiative acts only by the initiative procedure of circulating petitions. Initiative constitutional measures can be amended or repealed by legislative submission of propositions to the voters, but not statutes adopted by the Legislature, unless the act specifically provides for such action.

Proposition No. 13

Allocation of Public School Funds

Proposition No. 13 amends two sections of the Constitution and was intended to simplify procedure for allocating state funds for the support of the public school system, but does transfer the control over the distribution of all funds to the Legislature instead of confining such control to \$30 per pupil annually. The existing constitutional basic state contribution of \$80 per pupil in average daily attendance in elementary schools and \$90 per pupil in high schools remains unchanged. It eliminates certain provisions in section 6 of Article IX and section 15 of Article XIII.

The existing provisions state that the entire amount of money provided by the state and not less than 60 per cent of the amount of money provided by county or city and county school taxes shall be applied exclusively to the payment of public school teachers' salaries. Under the proposed new measure not less than 60-80ths or 75 per cent of the money provided by the state for the support of the elementary schools and not less than 66-90ths or 73 per cent of the money provided by the state for the support of secondary and technical schools shall be applied exclusively to the payment of public school teachers' salaries.

The measure deletes a requirement that the Legislature provide for a mandatory county or city and county school tax, which shall be not less than the amount contributed by the state for elementary and high school support, including day, evening and technical schools.

An effect of the proposed amendment is to place distribution of all school subvention funds at the discretion of the Legislature instead of only \$30 per pupil per year. San Francisco and other counties with a large school population and taxable wealth under equalization proposals would suffer severe reductions in revenue, in the event the Legislature should adopt appropriate legislation along the lines of legislation proposed in 1944. The measure does away with the principle of equality between counties and makes it possible for future Legislatures to interpret the vote for this measure, if it carries, to mean that the people desire different treatment for different parts of the state and to allocate funds regardless of merit or need, as the act merely provides that distribution may be in any manner the Legislature shall provide.

Proposition No. 14

Disability of the Governor to Act

This is an assembly constitutional amendment to section 16 of Article V, which clarifies existing language concerning the order of succession to vacancies in the office of Governor.

The measure provides that in the event of a vacancy in the office of Governor, the successor shall be the Lieutenant Governor, who shall receive the salary and prerequisites of the office. The line of succession would be the last duly elected President pro tempore of the Senate, the last duly elected Speaker of the Assembly, the Secretary of State, Attorney General, Treasurer, Controller. The salary of Governor shall be paid to the occupant, who shall continue in office until it is filled at the next general election.

This measure is intended to clarify any uncertainty under existing provisions as to who is president pro tempore of the senate or speaker of the assembly at the time of a vacancy when the Legislature has adjourned.

Another section of the Constitution provides that when a legislature adjourns officers no longer exist. Hence, it would be possible for the state to be without a governor for as long as 18 months, if vacancies occurred in the offices of Governor and Lieutenant Governor when the Legislature was not in session, and until the next regular session of the Legislature or a general election.

There has been no opposition to this measure to date.

Proposition No. 15

Validation of Legislative Amendments to Alien Land Law

This proposition is a senate constitutional amendment to section 17, Article I of the Constitution, establishing the validity of the 1923 and 1943 legislative amendments to the 1920 initiative known as the Alien Land Law.

This measure is not considered within the Bureau's field.

Proposition No. 16

Repeal of Educational Poll Tax

This proposition proposes repeal of section 12, Article XIII of the Constitution, which grants the Legislature authority to levy an annual educational poll tax of not less than five dollars on every male inhabitant of the state over 21 years and under 50 years of age, with certain exceptions. The exceptions include honorably discharged service men, persons who pay a real or personal property tax of at least five dollars annually, paupers, idiots, insane persons and imbeciles.

The state collected a poll tax prior to adoption of the repeal act in 1914, producing \$800,000 in the last year of its collection. Cost of collection was said to be high in proportion to the revenue collected. No tax has been levied under the existing provision. The sales tax is considered as a more equitable method of reaching those who do not pay property taxes, with the conditions surrounding collection being less difficult. In the unlikely event of a legislature deciding to levy a poll tax, enforcement would necessitate employment of a large staff.

Proposition No. 17

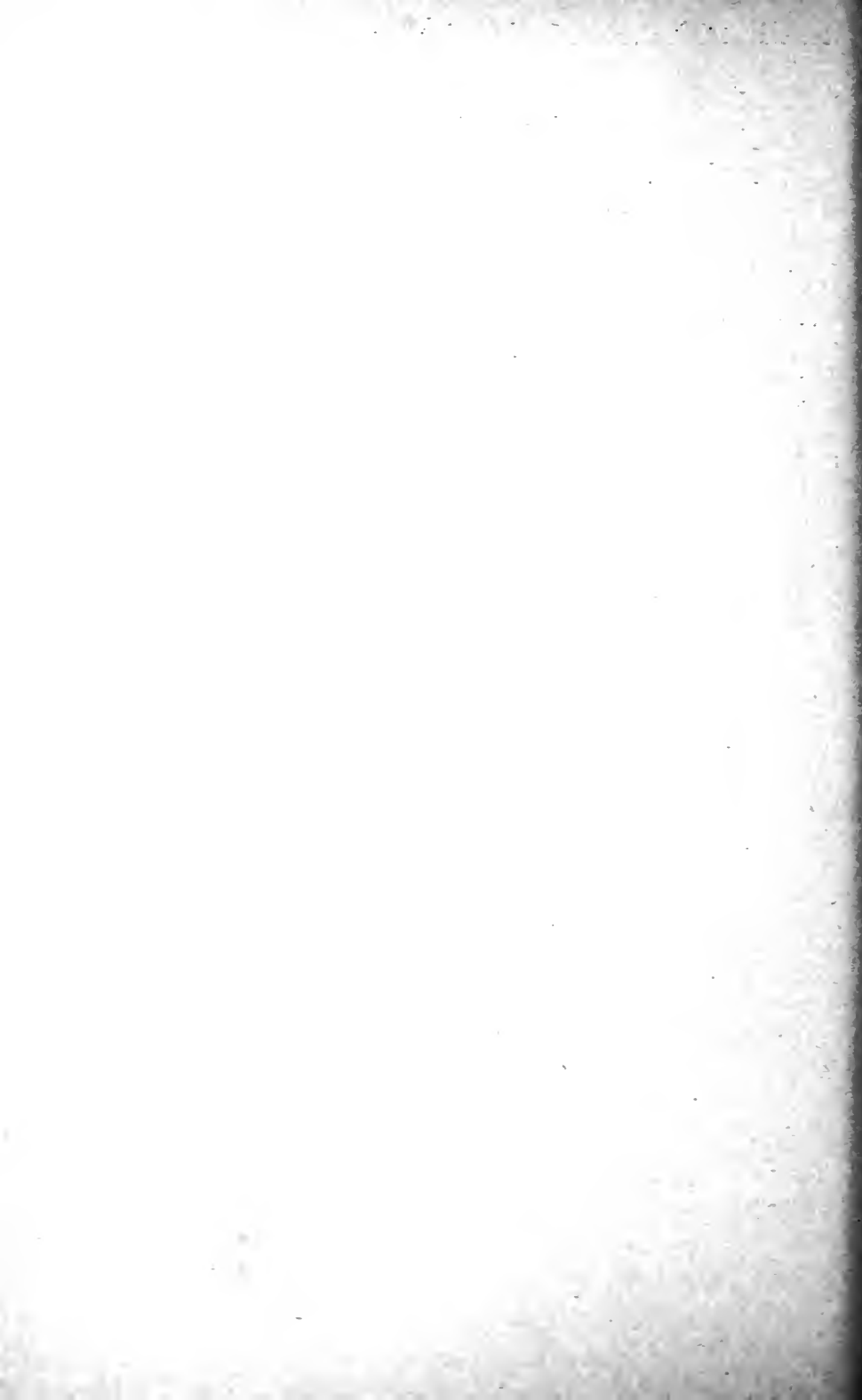
Public Utilities Commission

This proposition proposes to amend section 22 of Article XII of the Constitution by changing the name of the Railroad Commission to Public Utilities Commission and require senate approval of the Governor's appointments to the commission. If vacancies occur while the Legislature is not in session, interim appointments may be made which shall expire with the next legislative session. The powers, duties and functions of the commission remain unchanged.

Proponents of this measure believe that senate confirmation of appointments by the Governor is consistent with extension of this procedure to many important state commissions in California, such as the Highway Commission, Park Commission, and Fish and Game Commission. Under this system, the public is afforded an opportunity for an independent check on the qualifications of appointees. Further, the confirmation principle is an effective antidote to the so-called death-bed appointments by defeated governors, which have been the subject of serious criticism in the past. Such end-of-term appointments to the commission would come up for review by the newly elected senate.

Arguments against the measure, among other things, include changing the name of the commission. It is held that the Railroad Commission has thoroughly established itself in the eyes of the public over a great many years and that a change in the name would, in some degree, result in loss of prestige. It is contended that confusion will result from the fact that there are public utilities commissions in various parts of the state, including San Francisco.

When the measure was before the assembly, 19 members voted against and 57 in favor of submission to the voters. Opposition was partly on the grounds that the measure would place confirming power in the hands of a traditionally conservative senate and might prevent a liberal governor from appointing commissioners who share his point of view. On the other hand, a liberal senate in the future could have the reverse effect upon a conservative governor's appointments.



SAN FRANCISCO PROPOSITIONS

What the November 5th Ballot Means to the Taxpayers of San Francisco:

The taxpayers of San Francisco face a difficult decision on November 5th. The local ballot contains 15 charter amendments and three propositions, seven of which will increase city and county expenses by an estimated \$7,000,000 annually. Of this amount, the taxpayers will be required to pay an estimated 70 cents per \$100 of assessed valuation on the basis of the current assessment roll. Eleven of the 15 charter amendments will benefit city officials and employees directly or indirectly, if the measures are approved by the voters.

The 70-cent estimated tax rate increase will follow a 72-cent increase in the rate this year, when the tax rate went from \$4.83 to \$5.55 per \$100 of assessed valuation.

Other costly proposals face the city. Several measures held off the ballot at this election may, and probably will, be submitted to the voters at a succeeding election. Advocates of propositions on the ballot were of the opinion that too many costly measures would incur the displeasure of the voters and possibly defeat all of them, with the result that several measures were not placed on the ballot at this time.

There is in addition to possible increases due to employee demands, the need for an extensive public works program. Some of these projects are said to be necessary because of virtually no construction during the war years and the preceding years of depression, as well as to meet the needs of a greatly expanded population. The population of the city has increased from 634,000 in 1940 to 827,000 in 1945 and may be higher now.

The estimates prepared by city, county and school departments show that many millions must be provided for new schools, recreation areas, boulevards and a multitude of improvements to cope with increased vehicular traffic, school attendance and other effects of a greatly increased population. The Mayor's Citizens Postwar Planning Committee reported the need for \$177,000,000 in postwar construction in six years. The latest review of this report by the City Planning staff on August 14th showed that \$96,650,000 remains to be financed. The committee suggested a fiscal program consisting of special taxes, general obligation bonds, which will be paid out of tax funds, and the balance financed directly by property taxes.

The Bureau's sole interest in this, as in other matters concerning public business, is to see that the public gets the facts. The detailed analysis of each ballot measure, which follows, should be carefully studied.

The decision rests with the voters of San Francisco.

Charter Amendment No. 1

Municipal Railway Employees' Pay

This amendment to section 151.3 will, if approved by the voters, (1) set the carmen's pay rate annually at the average of the two highest rates prevailing in California on July 1st, (2) establish a minimum platform scale of \$1.00-\$1.10 per hour in the charter, below which rates cannot be reduced, (3) provide premium pay for six specified holidays, (4) make July 1st the date for setting rates for all crafts, instead of April 1st as at present, and (5) grant retroactive payment at the higher rates to July 1, 1946.

This measure was submitted in settlement of the Municipal Railway strike last July and was the result of an agreement between the Supervisors, the Mayor and the striking carmen to submit their wage demands to the people. The proposal includes all crafts and union groups in the city and county employ in addition to carmen for revision of rates as of July 1st instead of April 1st. These rates will be adjusted after the budget has been passed and the annual salary and appropriation ordinances have been adopted, thereby making amendment to the annual appropriation ordinance and the salary ordinance necessary.

Use of the two highest rates paid by other street railway systems in the State of California makes it possible to use the wage schedule of any system, regardless of size, as the basis for fixing rates in San Francisco. If "street railway systems" is interpreted as including systems consisting solely of bus lines, the number of small "systems" is greatly increased.

The measure does away with the principle of using comparable rates as the basis for fixing wages, in the case of platform and bus operators. Interpretation of what constitutes a street railway system and what is meant by highest wage schedules is left to Civil Service Commission decision and could possibly end up in court for clarification.

The minimum wage clause, which freezes wages at present levels for platform employees and bus operators, is contrary to the salary standardization principle.

The proposed amendment excludes the wages of platform employees and bus operators and the method of fixing said wages from other provisions of the charter. It states that "Notwithstanding . . . any other provisions of this charter the wages of platform employees and bus operators . . . shall be determined and fixed annually, as follows:" It follows that application of section 70.1, the emergency salary deduction provisions of the charter, could not be enforced against these employees, if the city found it necessary to invoke this section in the event of a depression or other emergency. In any event the minimum wage clause in the measure would restrict reductions to the current level, regardless of conditions.

The San Francisco Municipal Railway rate schedule now is \$1.00 entrance rate, with \$1.10 per hour after the first year for platform employees, with \$1.05 per hour the first six months, \$1.10 the second six months and \$1.15 per hour thereafter for bus operators. The platform rates apply to two-man operation, which is made mandatory by law.

The maximum wage schedules of other "street railway systems" and bus systems is as follows: Key System, \$1.20 per hour for one-man operation; Los Angeles Transit Lines and Los Angeles Motor Coach, \$1.23 per hour for one-man operation and \$1.10 per hour for two-man operation; Lang Motor Coach Corporation & Long Beach Motor Bus Company, \$1.21 per hour for one-man operation; San Diego Electric Railway Company, \$1.23 per hour for one-man operation; San Bernardino Valley Transit Company, \$1.10 per hour for one-man operation; and California Street Cable Railroad, \$1.10 per hour for two-man operation.

This proposed amendment does not make it clear whether the platform rate will be based on one-man or two-man operation.

The foregoing information relative to current wage schedules paid by other street railway systems and bus lines indicates that the two highest rates for two-man operation are the \$1.16½ per hour paid by the Pacific Electric Railway for single track operation and \$1.11½ for double track; and \$1.10 per hour on other systems.

The monthly statements of the Municipal Railway show that under the present wage scale, (effective since July 1st of this year, which was an increase from 97¢ to \$1.10 maximum per hour) the net income was \$273,741 for the first two months of this fiscal year. This figure is comparable to \$529,402 for the same two months last year with the 7-cent fare. The Municipal Railway is making provision for the possible increase in wages under Charter Amendment No. 1, as it is retroactive to July 1st this year, by setting aside \$194,932 for that purpose in July and August. The net remaining after providing a reserve for the new wage scale that will be paid, if this measure is approved by the voters, for payment on the Market Street Railway purchase price, the redemption of \$100,000 each year of Municipal Railway bonds outstanding, and for rehabilitation and new equipment is \$78,809 compared to \$529,402 last year, which will render it impossible to complete the rehabilitation program from revenue. The recent fare increase from 7 to 8-1/3 cents was granted for this express purpose. Some other form of financing, either an increase in fares, or a general obligation bond issue, or both, will be necessary, if the system is to be modernized.

Charter Amendment No. 2

Supervisors' Compensation

An increase in salary from \$2,400 a year to \$4,200 for members of the Board of Supervisors is proposed in this amendment. The increased cost for these part-time services would be \$19,800 per year if the measure passes. The Board of Supervisors also submitted a second charter amendment, which proposes to place supervisors' salaries under state law (see amendment number nine), and allow the State Legislature to fix the salaries of supervisors.

In the election last year, the voters overwhelmingly defeated a proposal to increase the supervisors' compensation through payment for committee meetings. Propositions similar to the present measure have also been rejected by the electorate in the past.

Charter Amendment No. 3

Retirement—Miscellaneous Officers and Employees

This amendment, if approved, will afford a liberalized retirement plan for 15,000 city employees which will, (1) guarantee half-pay retirement after thirty years' service, (2) reduce the compulsory retirement age from seventy to sixty-five, (3) increase disability allowances, (4) provide a minimum annuity of \$50 per month upon ordinary retirement, and (5) make the city financially responsible for the cost of "prior service," i.e., the back payments required to put the liberalized system into operation.

As originally presented by the Retirement League, an organization comprising all city employee groups, this proposal would have cost an estimated \$3,325,000 for the first year of operation. Following a series of meetings with the San Francisco Municipal Conference, some aspects of the original proposal were eliminated, so that the present estimated cost is \$2,461,000. This reduction was possible mainly through deletion of disability allowances which were costly and exceeded the benefits of other plans which were studied.

The cost of "prior service," or the back payments into the members' accounts required to put the liberalized plan into operation, constitutes the largest single cost factor and will be borne entirely by the city. This was found by the Municipal Conference to be in accord with practice in the installation or revision of other public and private pension plans.

If this proposal to liberalize the retirement system is enacted it will be possible for a city employee to work thirty years and retire at half salary at a minimum age of fifty-five. This is contrasted with the present requirement that the employee serve thirty-seven and a half years in order to retire on an allowance of half-pay. In addition, the current plan does not provide a guar-

anteed benefit but, under the money value system, only that annuity which the employee's and city's contribution will purchase at the time of retirement.

Other features of the proposal include a minimum retirement allowance of \$50 per month upon ordinary retirement and the right of the employee who leaves the city service before retirement to retain his retirement credits. The latter provision is a protection for the person who changes positions and would not otherwise be fully covered by the Social Security Act. Disability allowances are liberalized to the extent of guaranteeing one-third salary while disabled.

Charter Amendment No. 4

Police and Fire Department Salary Increases and Reduced Work Week

Charter Amendment No. 4 proposes amendments to sections 36, 35.5 and 35.5½, providing for increased pay and shorter hours for both the fire and police departments. The measure involves salary increases of approximately 15 per cent for each rank in both departments. It also reduces the fire department work week six hours and the police department four hours. The police department will operate on a 44-hour week if this measure is adopted. The amendment, on the other hand, merely provides that the maximum number of hours of work in the fire department shall not be more than 130 hours in any 15-day period. Under the shift system employed by the department, this will result in a maximum 61.6 hour week.

Civil Service Commission estimates indicate that the total cost of this measure will be \$2,842,000 annually, of which \$1,560,800 is represented by fire department added expense and \$1,281,200 due to police provisions. Fire Department salary increases represent \$660,800 of the total estimated cost and \$731,220 for the police department. The reduced fire department work week represents an estimated \$900,000 increased annual cost. The police department indicates there is a possibility of rearranging schedules so that the 44-hour week may not cost the full estimated \$550,000 annually that the Civil Service Commission staff reported on the basis of full replacement for the shorter work week under the terms of this charter amendment.

The existing salaries paid both police and firemen are \$2,700 the first year, \$2,800 the second year, \$2,900 the third year and \$3,000 every year thereafter. Two-wheel motorcycle operators receive \$15 per month extra.

The present range for various ranks above patrolman and fireman includes Lieutenant, fire department, \$3,600; Captain, fire department, \$3,900; Battalion Chief, fire department, \$5,100; also Lieutenant, police, \$3,900; Captain, police, \$4,980; Captain of Inspectors, \$6,600; and Deputy Chief of

Police, \$7,500. The two chiefs of the departments now receive \$9,000 per year.

The proposed increases would add approximately 15 per cent to all ranks. The firemen and policemen will receive \$3,120 the first year, \$3,240 the second year, \$3,360 the third year and \$3,480 per year thereafter. Police Lieutenants and Captains would receive \$4,500 and \$5,760 respectively. The fire department Lieutenant would receive \$4,140, the Captains, \$4,500, the Battalion Chiefs \$5,880 per year. The two chiefs of the departments would receive \$10,380 per year.

Information secured from various large Pacific Coast cities shows that the departmental request for a maximum of \$3,480 per year for patrolmen and firemen equals maximum rates paid by the city of Los Angeles. The maximum rate paid police and firemen by the City of Oakland is reported as amounting to \$3,312 per year, the City of Berkeley, \$3,180, Portland, \$2,784 and Seattle, \$2,760.

The hours worked per week in these Pacific Coast cities are as follows: Los Angeles, 44 hours for police, 67.5 hours for fire; Oakland, 44 hours for police, 72 hours for fire; Berkeley, 44 hours for police, 72 hours for fire; Seattle, 49 hours for police, 72 hours for fire (a reduction in the fire department work week was voted recently not yet effective); Portland, 48 hours for police and fire departments. Hours of Los Angeles police and fire departments will be reduced to 40 and 62 respectively after December 1st.

Although recently there has been a tendency to reduce the hours worked per week in other large cities in the nation, the 48 hour week in police departments and 72 hours in fire departments is fairly widespread.

The proposed rates are equal to the highest rates paid in any city in Western United States.

The full cost of the measure is estimated to amount to \$2,842,000 by the Civil Service Commission staff, exclusive of the increased cost of pensions, which represents a probable increase in the property tax rate of 35.5 cents per \$100 on the current assessment roll.

Charter Amendment No. 5

Permits and Inspections

This charter revision, as finally amended by the Board of Supervisors, would enable the supervisors to enact a retail sales tax applicable to the city and county. The original amendment, which would have also permitted a license tax for revenue, has been deleted.

As this measure is an enabling act only, there will be no immediate change effected in the revenue structure of the city, if this amendment is passed.

Charter Amendment No. 6

Military Leaves

The measure proposes to grant returning veterans on military leave the identical seniority standing and the right to participate in promotive examinations that the employees would have had, had they remained in the city's service. The measure requires satisfactory completion of a probationary period by such veterans and is not inconsistent with sound personnel principles.

There is some expense involved in this measure, due to the granting of seniority increases to the 229 employees that will be affected by this measure at this time. It is roughly estimated that such cost may amount to \$150,000 annually for salary increments alone, without the indirect cost of sick leave and other seniority privileges.

Charter Amendment No. 7

Police and Fire Pensions. Salvage Corps

This ballot measure combines two propositions, one relating to liberalized pension benefits for dependents of fire and police casualties and the other to military leave rights of members of the Salvage Corps.

Surviving widows or children of firemen, policemen, officers, salvage corps and fire boat personnel, who are killed in line of duty, will receive the full salary until death or remarriage, and, upon the retirement date of the deceased having been reached, they will be paid the regular retirement allowances thereafter, if death of the member of the retirement system occurs prior to qualification for service retirement.

The measure provides that if the fireman or policeman (and officers, members of the Salvage Corps and personnel of fire boats) have qualified for service retirement, but had not retired at time of death, the pension will equal the regular retirement pay of the member, which he would have received had he been retired for service on the day of death, but not to be less than 50 per cent of the last three years' average monthly salary. If the member had retired prior to death, the pension will be the same as the ordinary retirement payment of the member. The annual cost of these increased benefits has been estimated by the city actuary at \$105,000, with \$49,000 for the Police Department and \$56,000 for the Fire Department.

The same liberalized benefits are provided by a provision when death is traceable to or caused by injury or illness received in performance of duty. The possibility exists that this provision may be given a broad interpretation by retirement boards, thus bringing persons within the scope of this amendment which was not intended, and result in greatly increasing the cost.

The widows of men killed in line of duty now receive half of the husband's salary. This provision is fairly representative of conditions in a large number of police and fire departments, although there are instances where the pension is 75 per cent of the salary until the date the deceased would have reached the age of retirement, when the widow or dependents receive the regular retirement allowance. An indemnity is occasionally paid in addition to the pension. There are no known instances where a private employer's system pays full salary to widows and orphans.

The military leave section, which has been included for members of the Salvage Corps in the Fire Department, merely grants full military leave privileges to personnel who were employed on July 1, 1943 with six months employment, and who were absent in the armed forces at the time the Underwriters Fire Patrol was taken over by the city.

Charter Amendment No. 8

Salary Standardization for Elective Officers

The same provisions which now govern salary standardization of other officers and employees would be applied to all elective officers by this amendment. This would include the Mayor, the City Attorney, Sheriff, the District Attorney, the Assessor, the Treasurer and the Public Defender. Under existing provisions of the charter, these salaries are fixed by charter and the voters have the right to pass on definite salaries for each elective officer. Under the measure, the supervisors ultimately would be responsible for these salaries. The salaries of these elective officials are lower than salaries for similar positions in some jurisdictions, but this proposed method violates all the rules of good governmental practice. It may also result in elective officials being involved in salary politics with the Board of Supervisors, who have considerable discretion in fixing rates under the charter salary provisions, and tends to destroy the independence of elective officials.

Charter Amendment No. 9

Supervisors' Compensation

This charter amendment proposes to take the power of fixing supervisors' salaries away from the people of San Francisco and turn it over to the State Legislature. At present, the charter provides that the voters shall pass on changes in supervisors' salaries by charter amendment. The charter now provides for a salary of \$2,400 per year.

The sponsors on the Board of Supervisors say that all but eight counties allow the State Legislature to fix the salaries of supervisors; that the people

will not vote direct increases for supervisors and the members are deserving of more money for the work they do; and that the Legislature fixes the salaries of the judiciary.

Although San Francisco is a consolidated city-county government and the legislative body is called a Board of Supervisors, for all practical purposes it is a city government with a mayor and all the functions of a municipality. The Board of Supervisors is comparable to a city council. The judiciary is not a local function and operates under State laws. The eight counties where salaries of supervisors are fixed locally are the chartered counties.

This measure is in conflict with Charter Amendment No. 2, which provides for an increase in the supervisors' salaries to \$4,200 a year, or an increase of \$1,800. Charter Amendment No. 9 was placed on the ballot by supervisors who feared the voters would refuse to approve Charter Amendment No. 2. The proposal is contrary to the principle of home rule.

Charter Amendment No. 10

Board of Education Members

This measure will, if approved, provide for interim appointments and subsequent election of members of the Board of Education in the event the nominee of the mayor at the regular election is rejected by the voters. The selection of an individual for the remainder of the original term will be accomplished by a second nomination and election.

The proposal was introduced by representatives of the League of Women Voters in order to rectify the present situation in which a second appointee of the mayor serves a term (when the first is rejected at the polls) without confirmation by the electorate. There is no opposition to the change involved, as it merely provides that in the few instances where a nominee is rejected at the polls a second selection shall be subjected to the same ballot approval or disapproval.

Charter Amendment No. 11

Budgetary Procedure

The date on which budget estimates must be submitted by departments is advanced two weeks along with succeeding steps of budgetary procedure, so that the supervisors may have a greater time for consideration and passage of the budget. Whether this procedure change will result in improved budgeting is difficult to determine, as experience has demonstrated that the supervisors' budget deliberations are completed in the last days of the period now allowed them for consideration. In any event, the revision can do no harm and could facilitate preparation of the budget.

Charter Amendment No. 12

Promotional Examinations

Section 146.1 would allow city employees who were on military leave as members of the armed forces and the *maritime service* (the only difference between this measure and Charter Amendment No. 13) to take examinations for promotional positions which were conducted in their absence. This proposal would enable the Civil Service Commission to conduct examinations similar to the original promotional examinations held during the war and would combine the original and later eligible lists resulting from the two examinations.

It has been indicated that the Civil Service Commission considers this amendment more equitable than Charter Amendment No. 13 because it includes maritime service personnel who also received duly authorized military leaves.

The highest affirmative vote will determine whether this amendment or the one following shall go into effect in the event that both are approved by the voters.

Charter Amendment No. 13

Promotional Examinations

This is the same as the above but would exclude persons on military leave who served in the maritime service. Veterans' organizations, including the United Veterans' Council and the Veterans of Foreign Wars, have opposed the preceding amendment because they state that persons who saw service in the merchant marine are not veterans and should not receive equal privileges.

The effect of either of the two measures is to increase the cost of civil service administration slightly by creating the necessity to develop entirely new examination questions or tests and hold a series of promotional examinations.

Charter Amendment No. 14

Public Works and Purchasing Contracts

At the request of the Department of Public Works and the Chief Administrative Officer, the Supervisors submitted Charter Amendment No. 14, which increases the amount of work from \$1,000 to \$2,000 city departments can do without putting the work up for contract and securing bids. It also provides that the Department of Public Works may expend up to \$500 for new construction on unimproved or unaccepted streets where the chief administrative officer has declared the work to be emergency in character.

The provision relative to unimproved streets is a safety measure designed to eliminate public hazards on unaccepted streets by allowing the department of public works to do emergency repairs not in excess of \$500. The chief administrative officer and the director of public works, in requesting the increase from \$1,000 to \$2,000, stated that increased prices since the charter went into effect in 1932 have reduced the ability of the department to maintain adequate repair forces, as greatly increased wages and prices of materials has reduced the quantity of work the city forces can do for \$1,000. Hence, they claimed the city will be only a little better off with the increase than in 1932 with the \$1,000 limitation.

The Associated General Contractors opposed submission of the measure, and offered to compromise with \$1,500 instead of \$2,000 as the maximum of non-contract work by the department. The need for the measure was not clearly demonstrated. The public works department also retain the right to bid for work in excess of \$1,000, which they have not exercised for a number of years. The public works department should compete on contract work, thereby increasing the amount of work for forces of the department. Increasing non-contract work does not seem to be the solution. Competition by the city would tend to lower bid prices and tend to increase the efficiency of the department.

Charter Amendment No. 15

Retirement of Elective Officers

A new section, 158.1, will be added to the charter, if this measure is adopted, which provides for the retirement of elective officers of the city and county, except supervisors, after twenty years service and after reaching 70 years of age. The city and the elective officer jointly will contribute to the pension fund. The retirement pay will be limited to the first \$1,000 per month of the salary of these officers, and the maximum retirement allowance is fixed at \$500.

The seven elective officers affected are the Mayor, the District Attorney, Sheriff, Assessor, City Attorney, Public Defender and Treasurer. The only officer at the present time who would be eligible for retirement under this proposal is the City Attorney. These elective officers become members of the city's retirement system and will be subject to all of the conditions applicable to other members thereof, except that pensions of all other members are limited to the first \$500 per month of the employees salaries, instead of the \$1,000, as provided by this measure. The proposed increase from \$500 to \$1,000 per month in the maximum salary affected by and included in the pension fund may be used as a precedent by other employees to secure an increase in the maximum pension allowance and add to the cost of maintaining the fund.

Proposition No. 16
Amending 1932 Initiative
Refuse Collection and Disposal Ordinance

This proposal to amend the initiative garbage collection and disposal ordinance, adopted by the voters on November 8, 1932, proposes to increase the monthly rates for collections from residences and flats and provides certain improvements in procedure. Provision has been made for an annual survey and examination of the rate structure. The necessary records of the garbage collectors must be made available to the controller at his request. The ordinance, as amended, also makes mandatory a detailed receipt for all payments, showing the amount paid, the name and number of the collector, the number of the vehicle and the legal schedule of rates. The amended ordinance provides further, in case of disputes involving over-charges or the character of service, the director of public health's authority shall be final and charges in excess of the rate schedule shall be refunded.

The revision of the provisions dealing with submission of the accounts and records to the controller by the garbage collectors it is hoped will furnish the basis for a rate schedule in accord with the costs of collection and disposal. Under this measure, the Board of Supervisors may, by a two-thirds vote, reduce the rates following a report from the controller justifying such decrease. The supervisors may also increase rates, when justified, by a two-thirds vote, but not to exceed the rates set forth in the ordinance. The ordinance rates become a ceiling, unless amended by vote of the electorate.

The request for increased rates was made by representatives of the two garbage collectors' associations. They contended that the increased cost, particularly increases in wages, necessitated adjustment of the rates for collections from residences and flats. No changes were requested for collection from apartment houses. The rates for other collections, from industrial plants and commercial establishments, are fixed by negotiation between the collectors and the establishments from which the collections are made. Monthly rates for collections from residences and flats made from the ground floor were increased from a minimum of 40¢ for one collection per week for one to four rooms inclusive, to 60¢ per month; from 45¢ to 65¢ for five and six rooms; from 60¢ to 75¢ for seven rooms; from 65¢ to 80¢ for eight rooms; from 85¢ to \$1.00 for twelve rooms. The monthly rates for two collections per week range from 60¢ for one to four rooms to \$1.25 for twelve rooms under the existing schedule, which will be increased from 75¢ and \$1.40 respectively under this measure. The increases range from ten to fifty per cent in amount. Under present conditions there is no way to determine whether or not rates, either existing or proposed, are correct, but under the ordinance as revised by this amendment it is hoped to establish the basis for a sound rate schedule.

Proposition No. 17

Farmers' Market—Policy Declaration

Voters will be asked if they favor expenditure of approximately \$100,000 in tax money to finance a permanent farmers' market at a new site. It is estimated that this money will be repaid from fees within a twenty-year period.

This matter is being submitted to determine for the supervisors whether the electorate, when they voted for continuance of the Farmers' Market in November 1945, intended to approve the expenditure of city money to establish the market at a permanent site.

Continuance of the farmers' market, which originated as a wartime measure for the relief of distressed crops and an increased food supply, has proved to be a highly controversial subject in meetings of the Board of Supervisors. Six of the eleven board members have consistently maintained that the November 1945 vote on the policy declaration did not clearly authorize the expenditure of city monies. Their position resulted in the submission of this second declaration with provision for specific approval or disapproval of the expenditure.

The future location of the market has not been publicly announced to date and this should be an important consideration in the determination of individual voters' decisions. It can be said that the present site of the market near the geographic center of the city is accessible from most residential districts. The selection of a permanent site may sacrifice some of the accessible qualities of the present market, which may, in part, be compensated by greater area and improved parking facilities at the new site. Appropriation of \$62,000 from the land purchase reserve fund of the Chief Administrative Officer has already been made by the Board of Supervisors so that negotiations for the land can be completed. It is understood that if the market is not continued this real estate would be sold or used for other city purposes.

The financial experience of the market at its present location with a nominal rental of \$50 per month has shown an excess of revenues over expenditures and repayment to the city for construction of an administration building, convenience stations and market sheds. The Chief Administration Officer at the end of the last fiscal year indicated that the total earned in excess of operating and maintenance costs exclusive of rent was \$5,600; this is the estimated net earning power of the market under the present fee schedule. On the basis of the market's past and potential earnings, the Chief Administrative Officer believes that \$100,000 in capital expenditures could be amortized in a twenty-year period. It is asserted that the growers would be willing to have the present fees increased to keep the market self-supporting. The market has been considered by its sponsors as having made a decided improvement in relations with the rural districts.

Opposition has been based on the principle of taxpayers' financial support of a tax-exempt farmers' market, which, it is maintained, provides competition to established businesses. Thus, in effect, the taxpayers are subsidizing the market through their payment of taxes. Other points of opposition brought out are that (1) the market land will be taken off the tax rolls (2) there is a possibility that this step will lead to the city entering other retail business (3) the farmers should finance and conduct the market themselves and (4) the farmers using the market are tax-subsidized merchants employing non-union labor. Balanced against these arguments are the statements of the proponents that the market is an additional outlet for crops, which would otherwise go to waste, and which provide the consumer with an additional source of food at lower cost.

A statement contained in the ballot envelopes distributed to the voters on the declaration of policy approving continuance of the market last year read as follows: "The Farmers' Market is supported by fees collected from the growers. There is no charge against the taxpayers." Present developments have changed this situation to the extent that this second expression of policy on the expenditure of tax monies for this enterprise was considered necessary by the supervisors.

Proposition No. 18

Parking Fine—Policy Declaration

A declaration of policy "Shall the Board of Supervisors reduce the minimum fine for violations of parking regulations, except for parking on grades, for automobiles and other vehicles from five dollars to two dollars?" was placed before the electorate by the signatures of four supervisors (Mancuso, Lewis, John J. Sullivan, and Meyer) for an expression of the people's opinion on this matter. The supervisors now have the right to fix the amount of the fines and it was an act of the Board earlier this year which increased the minimum for certain parking violations to \$5.00, increasing it from the previous minimum of \$2.00. It was the belief that the lower fine, which was generally applied by the traffic court, was not successful in preventing illegal parking.

The five dollar minimum fine now applies to parking violations in yellow loading zones, bus zones and streets designated as no-stop streets during the evening rush hours between 4 and 6 P. M. Representatives of the police department stated before the Board that it was impossible to secure proper enforcement without greater fines, as many motorists were inclined to pay the low cost fine as a parking charge.

This is an attempt to shift responsibility, which is properly placed in the Board of Supervisors, to the voters, who quite naturally can be expected to

vote to reduce fines. But that does not solve the traffic enforcement problem nor the larger problem of improving movement of traffic in the congested areas. As a matter of fact, it would complicate matters if this proposal were given an affirmative vote and the supervisors carried out the intent.

The Police Commission is opposed to this proposition on the grounds that it would make enforcement of parking rules practically impossible and would thereby create a serious traffic hazard on key streets into and out of downtown San Francisco.

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No. 1

November 4th, 1947 Ballot Propositions

\$87,050,000 Bond Issues

19 Charter Amendments

1 Declaration of Policy

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"An incorporated non-partisan citizens' agency to study public business, cooperate with officials and specifically work for economy and efficiency in municipal affairs."

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\$87,050,000 PROPOSED BOND PROPOSITIONS

1. Municipal Railway Rehabilitation Bonds, 1947—\$20,000,000.
2. Market Street Railway Refinancing Bonds, 1947—\$2,200,000.
3. Street Improvement Bonds, 1947—\$22,850,000.
4. Off-street Parking Bonds, 1947—\$5,000,000.
5. Hetch Hetchy Water Bonds, 1947—\$25,000,000.
6. Recreation Bonds, 1947—\$12,000,000.

CHARTER AMENDMENTS

7. Market Street Railway Refinancing Bonds, 1947.
8. Retirement—Miscellaneous Officers and Employees.
9. Public Recreation Commission.
10. Operation of Cable Cars.
11. Fire Department and Police Department.
12. Deputy Chief Fire Department and Secretary to Fire Chief.
13. M. H. de Young Memorial Museum.
14. City Planning Department and Related Sections.
15. Clerk of the Board of Supervisors.
16. Chief Administrative Officer (Recorder-Registrar).
17. The Mayor.
18. Attorney—Bureau of Delinquent Revenue Collection.
19. Attaches of the Municipal Court (Retirement Benefits).
20. Inspectors—Police Department.
21. Qualifications and Tests.
22. Substitute Promotional Examinations—Veterans.
23. Suspension and Dismissal for Cause.
24. Salary Base—Retired Corporals.
25. California Academy of Sciences.
26. Parking Fines—Policy Declaration.

Proposition No. 1

Municipal Railway Rehabilitation

Bonds, 1947—\$20,000,000

This proposition will provide funds principally for purchase of new equipment, and for rehabilitation of tracks to be retained, shops, garages, and the electrical system. Considered a primary need by engineers, planners and citizens' groups who have studied the city's post-war problems.

The need for this bond issue arose when revenue available for new equipment from railway operations practically disappeared, due to decreasing numbers of revenue passengers and rapidly increasing operating costs.

The comparative income statement for 12 months ending June 30th, shows that total revenues amounted to \$19,090,128, operating expenses, \$16,526,518, leaving \$2,512,237 for interest, bond retirement, accident and damage claims and depreciation. Bond reduction, taxes, and interest deductions totalled \$231,920 and accident claims amounted roughly to \$1,300,000. Approximately \$250,000 is left for reconstruction, depreciation and payment on the purchase price, if the effect of the wage increase that went into effect on July 1st is considered. Recent statements of the railway show that reductions in service, reduced number and cost of accidents and other economies have kept the railway "in the black" despite reduced patronage and increased operating costs.

The budget for the current year anticipates \$19,200,000 in revenue, \$17,365,919 in expenses, \$1,000,000 in accident claims, \$127,500 bond interest and redemption and \$17,000 for taxes and interest on acquisition debt. The balance, \$689,581 is set up as "depreciation."

The Controller, in a report to the chairman of the supervisors' Finance Committee, indicated that the Municipal Railway had \$1,284,597 in equipment funds, of which \$486,900 was encumbered on April 22nd. The Controller reported to the Supervisors that the Railway would be unable to support the full \$20,000,000 debt service charges. During the period of reconstruction it is unlikely that the system will be able to make an adequate contribution towards the support of the bonds.

The bond issue of \$20,000,000 was predicated upon the modified "Newton Plan." The estimated requirements as set up in the March, 1947, report of the Technical Committee of the Mayor's Council were as follows:

55 Street cars, multiple unit . . @ \$31,000.....	\$ 1,705,000
361 Trolley coaches @ \$20,000.....	7,220,000
32 Motor coaches, 40 passenger @ \$16,750.....	536,000
66 Motor coaches, 36 passenger @ \$16,000.....	1,056,000
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514 Vehicles	\$10,517,000
26 miles track reconstruction.....	\$ 3,365,000
164 miles trolley coach overhead construction.....	2,560,000
Substations and feeders.....	1,500,000
Carhouses, garages and shops.....	2,618,000
Removal of abandoned property.....	340,000
Less existing appropriations.....	900,000
<hr/>	
	\$ 9,483,000
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Total Bond Issue.....	\$20,000,000

The report of the Technical Committee of the Mayor's Administrative Transportation Planning Council of March, 1947, also states the slight deviations from the basic plan will not materially affect the estimate or the over-all result, and little is to be gained by attempting at this time to anticipate all possible revisions in the plan. The language of the bond legislation is broad enough to permit changes in the plan not anticipated in the preliminary stages. This is not unusual, as it is rare indeed that cities spend a substantial amount of funds for final plans and specifications before bond issues are approved by the voters. Bond proposals are necessarily based upon preliminary estimates, and the final figures can only be ascertained after funds are made available from the sale of bonds. Results of extensive traffic surveys both by the California Highway Commission in collaboration with the Federal Public Roads Administration and planning experts retained by the City Planning Commission will provide basic data for the final plan.

Reduction of operating costs after the system is fully rehabilitated, by substitution of modern coach equipment for antiquated and obsolete electric cars could, under good management, provide a substantial margin towards servicing new debt, if operating costs, particularly wages, remain fairly constant and do not increase. The current cost per electric car hour is \$7.15,

whereas the operation of motor coaches cost \$4.69 per bus hour, trolley coaches \$4.14 and cable cars \$7.76 per hour. The total number of hours operated in 1946-47 was 3,179,916. The Mayor's Administrative Council (Technical Committee) reported a proposed transformation of the system as follows: Electric car route mileage reduced from 371 to 144; trolley coach mileage increased from 17 to 220; motor coach route mileage from 265 to 318.

Estimates of future operating results hardly can be accurate until there is a final or ultimate determination as to the character of service to be given and other factors which affect cost and passenger riding habits, etc. However, a rough estimate involving existing mileage and costs applied to the modified Newton plan indicates the possibility that if the system continues to earn \$19,000,000 annually, and an adequate amount is provided for depreciation, making adequate provision for the short-lived coaches and accidents continue to diminish in number and the amount of the judgments, the system could provide sufficient funds to meet the \$1,200,000 debt charges involved in the assumption of the Mayor's Administrative Transportation Planning Council report of March, 1947, as the probable maximum debt cost. This assumption involves a 20 year serial maturity and a two per cent per annum interest rate, the bonds to be sold over a period of years.

Proposition No. 2

Market Street Railway Refinancing Bonds

Proposition would retire Market Street Railway debt by issuance of \$2,200,000 in bonds and would free management of restrictions in purchase agreement and reduce interest cost.

This proposition would liquidate the remaining debt of \$2,141,477 on the Market Street Railway purchase through the issuance of general obligation bonds. Two principal advantages for this move are (1) the consolidated railway would be freed of the restrictions contained in the section of the charter relating to the purchase, and (2) the rate of interest to be paid by the city could be reduced from the present 4 per cent to less than 2 per cent for short-term bonds. The current restrictions on Municipal railway management in the charter include restrictions on revising the former private railway properties and operations, which prevent management from reorganizing and making radical changes in the transit system.

Liquidation of the debt to the private railway would terminate the purchase restrictions and would place the railway budget procedure under the

sections governing all other utility operation. Reduction of interest charges through the issuance of bonds will result in a sizeable saving to the city; up to June 30, 1947, interest charges amounted to \$332,433.

(See Charter Amendment 7 as a companion measure to this proposition).

Proposition No. 3

Street Improvement Bonds, 1947—\$22,850,000

This bond issue was predicated on an estimated \$10,500,000 in track removal and street reconstruction work; a Broadway Tunnel, \$5,000,000 estimated cost; new traffic signals, \$2,736,000; the 13th Street connection with Bayshore Freeway, \$2,000,000; 7th Street extension across Market Street, \$375,000 and five or six less costly improvements. The program has the endorsement of the Mayor's Administrative Transportation Planning Council, the Mayor and the eight-man Citizens' Advisory Committee appointed by the Mayor at the request of the Board of Supervisors.

The eight-man Citizens' Advisory Committee appointed by the Mayor in accord with the intent of a resolution adopted by the Board of Supervisors concluded that the street improvement plan is sound and practicable; that it must be financed by issue of bonds during this period of low interest rates; that servicing of these bonds can be accomplished without raising taxes because of progressive redemption of bonds now outstanding; and that gas tax funds cannot be relied upon because of need for other street improvements and the insufficiency of such funds.

The Advisory Committee of eight, including six local engineers, reported that the Mayor had emphasized it was of particular importance whether or not the projects recommended by the Council would interfere in any substantial way with any long-range planning or any future improvements. Referring to the future development of the master plan, the Advisory Committee stated that the work fits into future programs for improving traffic, transit and thoroughfares. They said there was a sharp distinction between long range studies, involving grade separations, etc., and the "more urgently needed relief, for which no further delay is excusable." It was the Mayor's Advisory Committee's opinion that the projects recommended by the Council (including the transit and parking bonds) were essential to the "first stage of traffic, transit, and thoroughfare improvement."

This would be a departure from the pay-as-you-go practice to finance street paving, resurfacing and removal of utility property from the public streets by bond funds. If the Municipal Railway were privately operated, it is unlikely that the city would permit the company to escape all financial responsibility for removing the rails and resurfacing a portion of the street. Under existing fare schedules and operating costs, the system would be unable to provide material support for bonded debt charges on a fair share of the rail removal-street improvement program. A more realistic approach might have been to review the fare schedule and its possibilities in view of the change in operating costs. The State Public Utility Commission granted the East Bay Transit system an increase to a flat 10 cent fare. The Controller's report to the supervisors earlier this year, relative to adequacy of railway revenues to meet bond costs, included as a proper cost, roughly a half of the street reconstruction track removal program.

The proposition on the ballot does not specifically provide that the funds must be allocated as indicated by the preliminary estimates. The completion of the surveys and reports by the outside experts employed by the City Planning Commission could be reflected in modification of the projects to meet revisions found necessary.

Advocates of this bond issue contend that it would supplement the transit issue by providing smooth roadways for the new equipment that no longer will use rails and that lack of this improvement would limit the effectiveness of the \$20,000,000 expenditure. The estimates of the revenue to be derived from the use tax recently adopted indicates that funds will be available for the payment of interest and redemption charges resulting from the authorization and sale of these bonds as long as the use tax is continued in effect. Repeal of this taxing measure would necessitate finding other means to finance debt charges, perhaps a return to the property tax.

Proposition No. 4

Off-Street Parking Bonds, 1947—\$5,000,000

This proposition will provide funds for off-street parking sites in a circle surrounding the congested traffic, business and shopping districts of the areas under consideration, the approximate location being the vicinity of Sutter and Franklin Streets, Ellis and Taylor Streets, Montgomery and Washington Streets, Spear and Howard Streets, Bryant and Fourth Streets, and Twelfth and Market-Mission Streets.

The plan, as outlined in the March, 1947, Traffic, Transit and Thoroughfare Improvements for San Francisco prepared by the Technical Committee of the Mayor's Administrative Transportation Planning Council, contemplates acquisition by the city of parcels of land up to a full block in size near the edges of the new Metropolitan Traffic District in the general location indicated in the summary. The Committee took into consideration frequent and convenient transit service direct to the shopping and financial districts, considered an essential feature.

Purchase of a proposed site will require the approval of the Planning Commission and the Board of Supervisors. The areas, if occupied by structures, will be cleared. The Committee believes the proposed parking areas will be leased to private operators. Present status of plans do not indicate approximate number of cars that could be provided for. Structures providing several levels for parking may be erected, probably under long term lease, if the demand at a given site justifies the expenditure.

The Mayor's Administrative Council and the Citizens' Committee agreed that immediate action is essential to provide some parking within easy reach of the central business district before long range solutions, such as the Minna-Natoma elevated freeway and parking plan, are brought to the stages of positive action. The Council reached the conclusion that revenues from these enterprises are certain at least to meet operating costs, interest charges and the equivalent of taxes now collected from the property. The land will always have a high value and could be disposed of if the site no longer justified its maintenance with little or no loss to the city, the Council stated. The question of more street space to supplement more parking space may not be involved, as the parking space that would be provided may prove to be merely an offset to a change in use and enforcement of curb parking.

The Council states that curb space should be restricted to short-time customer-client-visitor uses consistent with traffic movement requirements. Conservative estimates by the groups who have made a study of this proposal indicate that revenues from leases should pay a substantial portion of the cost and the use tax the balance.

Proposition No. 5

Hetch Hetchy Water Bonds, 1947—\$25,000,000

A \$25,000,000 proposed bond issue for construction of 47 miles of 60 inch pipeline across the San Joaquin Valley, a Bay crossing pipeline and a pipeline from the peninsula lakes to San Francisco. Estimates of water consumption indicate that existing 116 million gallons normal daily supply will be exhausted by 1950.

Unit expansion of the San Francisco Sierra Nevada Mountain water supply known as the Hetch Hetchy Water Project was anticipated when the system was planned, and included construction of mountain division tunnels to the planned 400 million gallon daily maximum capacity, leaving construction of pipelines across the San Joaquin Valley between the western Sierra Mountain tunnel portal and the eastern Coast Range tunnel portal as and when needed. At present, there is a pipeline of 60 million gallons daily capacity across the San Joaquin Valley. The water supply from Hetch Hetchy is limited to the capacity of this line. When the new pipeline is constructed, the capacity will be more than doubled. Water department engineers estimate the increased capacity to be about 76 million gallons daily. In 1930, when the city took over the Spring Valley Water Company properties, the water consumption amounted to 50 m.g.d. This has increased to the 1947 consumption of approximately 102 m.g.d., including customers outside of San Francisco. Of this total, approximately 18 m.g.d. is supplied to suburban customers outside of the city and county of San Francisco.

Existing normal capacity of the water department is considered to be 116 m.g.d. This is made up of 60 m.g.d. delivered from the Hetch Hetchy source and 56 m.g.d. from so-called local sources, including Calaveras and peninsula reservoirs. This normal capacity would be impaired if another dry cycle similar to the five year dry cycle of 15 years ago should occur. At that time, it was necessary for San Francisco to make arrangements with the East Bay Municipal Utility District to secure an added supply to tide San Francisco over the dry period and until completion of the Hetch Hetchy pipeline in 1934. In 1930 it was necessary to spend in excess of one million dollars to provide the additional supply of water from the East Bay system by construction of a pipeline and other facilities. A standby charge was also paid in addition to the cost of the water purchased. Most of this investment was lost except for the scrap value of the pipeline which has been removed and sold. The next time such a dry cycle occurs, the East Bay District may not have

the added capacity necessary to tide San Francisco over a prolonged dry cycle.

The increase in water consumption is calculated to be roughly 3 per cent per year compounded on the basis of the past 20 years' growth and, projected into the future, indicates the need for additional water supply after 1950. At that time, departmental estimates indicate the demand will be approximately 118 m.g.d. Water rates were increased in 1945 restoring a 15 per cent reduction made in 1943. The increase in water rates included rates provided for peninsula users, although these rates were not reduced in 1943. At present the rates applicable to users outside of San Francisco are 17 per cent higher than similar rates applicable to customers in San Francisco.

Whether San Francisco should or could stop servicing peninsula customers water from the Hetch Hetchy and peninsula lakes is an academic question and not a practical solution for increasing San Francisco's water supply. The state laws enter the picture and there is no alternative source in the peninsula that could be developed on an economic basis to take over from San Francisco's water department.

The increased water rates not only made the department self-supporting but provided sufficient funds to pay interest and redemption charges on that portion of Hetch Hetchy bonds not carried by the power division and provide an excess for additions and betterments. In the fiscal year ending June 30, 1947, water department revenues totalled \$9,934,311 from the sale of water and rentals, interest and other miscellaneous revenues brought this total up to \$10,145,085. Operating expenses amounted to \$2,396,244. Replacements and reconstruction amounted to \$397,065; equipment \$16,925 and bond interest redemption \$3,066,660. The total paid as a "stand-by charge and purchase of water" from Hetch Hetchy amounted to \$3,731,908, for a total expenditure of \$9,608,802, exclusive of additions and improvements.

The construction program calls for construction of the various pipelines in units and the bond issue probably will be sold in units so that the full cost of the debt never will fall on department revenues at any one time. The plan calls for construction of the first unit of the San Joaquin Valley 60 inch line from Oakdale portal to the San Joaquin River, which, it is claimed, will increase capacity to meet requirements prior to 1955. It is anticipated that the full program will be completed about 1955. Although these bonds will be general obligation bonds, it is anticipated that sufficient revenue will be available to finance the carrying charges without recourse to taxes.

On January 1, 1948 there will be \$23,000,000 of Spring Valley purchase bonds and \$3,935,000 of water bonds outstanding, as a charge against water revenues. The total indebtedness of the Hetch Hetchy system at this time is

\$46,425,000, which is supported by power and water revenues. Reduction in outstanding debt will increase the amount of money available for new debt. As the amounts get progressively smaller the amount of interest also decreases. Whether or not the water department would be able to carry the bonds through a serious depression and loss of revenue is not as important as the necessity for maintaining an adequate water supply in San Francisco.

Water supply is too vital to a city to be left to chance and the weather. Plans must be developed well in advance of the time when demand catches up with supply. In this semi-arid region of low rainfall, limited water supply and growing population, a temporary oversupply is essential and in the recurring dry cycles may be the means of preventing serious and unforeseen shortages from occurring.

Proposition No. 6

Recreation Bonds, 1947

\$12,000,000 general obligation bonds for expanded recreation facilities, development of facilities on 13 playgrounds now operating, development of 18 new playfields, provide 39 recreation centers, 19 gymnasiums, 10 indoor swimming pools, 2 safe ocean beaches, a central activities building, other facilities and roughly \$1,500,000 for purchase of land. Departmental estimate of increased annual operating cost of completed projects is \$492,572. Submitted by citizens' committee of 150 as part of a "Master Plan for Youth."

Twelve million dollars in general obligation bonds to improve and expand recreational facilities throughout the city, which would serve as an implementation of the "Master Plan for Youth," are proposed by this measure. The Master Plan for Youth was conceived originally in January of this year in a report of a citizens' committee of 150 men and women. The committee was appointed by the Mayor following a resolution of the Board of Supervisors in July, 1946, and was composed of persons in religious, fraternal, educational, civic and official agencies concerned with youth welfare.

The bond issue to be voted upon does not embrace a specific and detailed recreation improvement program but is in the nature of a general grant for various types of projects. Recreation Department officials had presented a comprehensive program which proposed improvement in facilities in every section of the city; this was shelved in favor of the present measure. The general grant, if approved would be more flexible of administration and is related

to the proposed consolidation of the Recreation and Park Departments. It has been asserted by proponents of the consolidation that certain economies could be effected in the expanded recreation activities embodied in the bond issue if the departmental merger is carried out. Thus, if economies through the elimination of contemplated land purchases prove possible, the entire amount of the bond issue for the original program would not prove necessary.

The Master Plan for Youth recreational program has not been reviewed or approved by the City Planning Commission as a part of the over-all plan for the city. Most of the projects included in the development plan of the citizens' committee were reviewed by the Mayor's Postwar Planning Committee in 1945. The Mayor's Postwar Planning Committee approved \$10,468,715 in recreation department improvements. Previously the City Planning Commission had approved a \$3,613,701 six-year recreational program out of the \$10,468,715 submitted by the department. The Postwar Committee recommended that \$2,468,715 be financed by annual budget appropriations and \$8,000,000 by general obligation bonds. Costs have materially increased since 1945.

This bond proposal covers the needs envisaged by the Recreation Department and has not been coordinated with requirements and programs of the School and Park Departments. The Park Department is reported to have a large improvement program estimated to cost more than \$9,000,000. The Board of Education, also concerned with youth welfare, is understood to be planning an extensive improvement program, including swimming pools and other facilities. As the bond proposal to be voted on in November does not limit the proposed improvements to specific projects, it is assumed the responsible authorities will seek to coordinate the recreational program with the development and programs of the other agencies concerned in the recreational field. The Sub-Committee on Recreation in the Master Plan for Youth recommended that all school building plans be referred to the Recreation Department by the Board of Education for consultation before approval of the plans. It was also recommended that school athletic facilities be made available to the Recreation Department. Similarly, it was advocated that the Park Department release certain of its properties for use by the Recreation Department.

There have been no bond issues for recreation since 1931, when \$200,000 was authorized. Budget funds during the intervening years have been limited to piecemeal purchase of certain playground sites and an expenditure of \$25,000 to \$50,000 in an average year for improvements until recently. The population, on the other hand, has grown 30 per cent since 1940, with a corresponding increase in the number of children. The population has shifted from some areas while other areas are growing rapidly.

The original list of fifty-five projects submitted by the Recreation Department, and which presumably would largely constitute the improvements under the bond issue, would entail a total cost of \$12,664,000. The department has estimated that the projects when completed would involve an increased operating cost of \$492,572. Completion of the program will be spread over a period of five or six years from the time of approval of the bond issue.

According to a departmental summary, the program originally planned would provide 39 recreation centers, 19 gymnasiums, 10 indoor swimming pools, 20 grounds equipped with outdoor lighting, improvement of facilities on 13 playgrounds now operating, athletic grandstands in 7 units, and development of 18 new playfields. Included in the plan are specialized units such as a drama center, 2 safe ocean swimming beaches, children's day camp and mountain camp and a central activities building.

CHARTER AMENDMENTS

Proposition No. 7

Market Street Railway Refinancing Bonds, 1947

Amendment would enable the city to pay off the balance of the purchase price of Market Street Railway from bond funds. A companion measure to Proposition No. 2.

This amendment would enact a new section (119.2) which would enable the city to pay the balance due on the purchase of the Market Street Railway from the sale of the bond issue proposed as proposition two in the amount of \$2,200,000. The section would supersede provisions governing the purchase of the operating properties of the Market Street Railway, which provide that the funds for the purchase be derived from current revenues. The city also would retain the option of paying the debt from current revenues as well as from bonds under this section, although it is not likely that current railway income and operating costs would make that course feasible.

This is a companion measure to Proposition No. 2 and a favorable vote would be necessary to carry out the intent of the purchase bond issue proposal, if that measure is approved by the voters.

Proposition No. 8

Retirement—Miscellaneous Officers and Employees

Amendment would provide for technical changes in the 1946 retirement amendment to correct ambiguities in language and to forestall possibility of future court suits. Maximum cost reported by the Retirement Board to be \$40,900.

Clarification and revisions in the technical procedure of Section 165.2 covering the retirement of city employees (exclusive of the police and fire departments) are effected by this amendment. The consulting actuary of the retirement system and the Retirement League, composed of city employees, are of the opinion that unless the changes are made, the city faces the possibility of court interpretations which would prove costly to the city.

The measure provides for removal of the present 36 year limitation on contributions by the members so that both the members and the city would contribute for the entire period of service. The annual cost to the city for this revision is estimated at a maximum of \$40,900. It is indicated that this

cost will decrease when there are fewer employees with long service records as the maximum age for city employment is reduced to 65. The safeguard factor in the change is to guarantee that under a possible re-interpretation the city would not have to pay both its share and the employees'.

Numerous other changes in the detailed technical language of the section are expected to clarify the 1946 amendment and need not be discussed here. The intent of these changes is to avoid potential large liability of the city for retirement claims, which may arise in the future.

Proposition No. 9

Public Recreation Commission

Amendment would consolidate Park and Recreation Departments into one department under the management of one commission consisting of seven members and abolishes two existing commissions. Creates the non-civil service position of general manager. Continues existing employees in respective positions. Proposed by the Mayor and opposed by city employee groups.

Consolidation of the Recreation and Park Departments will be provided by amendment of Sections 40, 41 and 42 of the charter and the consolidated departments shall succeed to the powers and duties of the existing Park and Recreation Departments and Commissions which will be abolished. A commission of seven members is created to serve without compensation. Six members shall be appointed for terms of four years by the Mayor. The Mayor will be an ex-officio member of the Board. The commission shall appoint a general manager who shall hold office at the pleasure of the commission. The general manager shall be the chief executive officer of the department and shall have power to appoint and remove the superintendent of parks, the superintendent of recreation, a director of the Zoo and an executive secretary to the general manager, exempt from civil service provisions. Removal from office of these employees by the manager shall be subject to the approval of the commission. Incumbents now occupying the positions shall be continued in their respective positions. The rights of the civil service employees of both departments are protected by specific provisions in the amendment, including seniority rights, and they shall continue to hold the positions they now occupy.

This proposal was submitted by the Mayor following an exhaustive survey and report on the organization and operations of the Park and Recreation

Departments by his administrative staff. The report indicated improved utilization of existing Park and Recreation sites and a more economical development of the future park and playground program. If the \$12,000,000 recreation bond issue is approved by the voters, this expenditure for an expanded playground program will be more advantageous to the citizens under a consolidated department, the Mayor believes. It is not anticipated that any great savings in the cost of operation will be effected by the consolidation, although in some respects, the two departments operate parallel services. The measure was sponsored by the Mayor and approved by the Citizens' Charter Revision Committee. It was opposed by union labor representatives and representatives of the Recreation Department employees on the grounds that this move would jeopardize the status of the employees.

Proposition No. 10

Operation of Cable Cars

Amendment would provide for continued operation of existing cable car system now operated by the Municipal Railway, with no exceptions. Proposed by a citizens' committee organized to preserve the cable cars.

This amendment would incorporate in the charter a new section, 119.3, which would continue operation of the existing cable car lines now operated by the Municipal Railway. The reasons given by the proponents for their continued operation is that cable cars are a distinctive feature of San Francisco, are a link with San Francisco's historic past, and are a unique and fascinating attraction to tourists and visitors. They further allege that cable cars are safer than buses on steep hills.

Cable car operation involves high operating costs. Municipal Railway cost figures show a cost per cable car hour of \$7.76 since July 1st. Motor coach operation involves a cost of \$4.67 per coach hour or \$3.09 less. The loss incurred by cable car operation in the last fiscal year amounted to \$125,740. Increased operating costs, particularly platform wages since July 1st, will increase the deficit in the current year unless service is curtailed.

An interesting comparison is the total cost of publicity and advertising budgeted for 1947-48, which amounts to \$296,500 for all other forms of advertising the city and to attract tourists.

The equipment is old and nearing the end of its usefulness. The right to supplement or substitute other forms of transportation, even on a temporary basis, is doubtful under the proposed amendment. Failure of the obsolete equipment, many parts of which are not manufactured today and must be

made on special order, could tie up the system for weeks or months through some unforeseen failure or accident.

The proposed amendment specifically limits the railway management to "maintain and operate the present and existing cable car system now operated by the Municipal Railway." It shall have precedence over all other sections of the charter "deemed in conflict therewith."

An argument could be made for continued operation of a single line for its historic value and as a tourist attraction as long as it would be found feasible, but leaving the management free to select the line and the right to regulate operation to avoid traffic congestion and to provide supplementary service as needed. The charter is not the place for restrictive legislation of this character.

Proposition No. 11

Fire Department and Police Department

Amendment would increase salaries of firemen, policemen and all ranks in the departments \$300 per year. Proposed by members of the Fire and Police Departments. Estimated cost is \$970,368 annually.

An increase of \$300 per year will be granted by the adoption of this charter amendment to every member of the Fire and Police Departments, effective July 1, 1948. It would increase the salaries of the rank and file of firemen and policemen from a maximum of \$290 per month to \$315 per month. Salaries now provided for firemen and policemen range from \$260 per month the first year, \$270 the second year, \$280 the third year and \$290 for the fourth and following years.

Under the amendment minimum salaries of firemen and policemen would be increased to \$285 per month and maximum salaries to \$315 per month.

The Controller estimated the cost of this measure to the taxpayers to be \$970,368 annually, including the cost of increased retirement fund contributions.

Latest figures from nine other California cities indicate that the existing San Francisco salary range and average hours worked per week compares favorably with prevailing conditions. San Francisco's maximum rate of \$290 per month for firemen and policemen is comparable to the \$290 per month paid by the City of Berkeley, \$292 per month paid by Oakland and Alameda respectively, \$282 paid by San Diego, \$275 paid by Long Beach, \$273 paid by San Jose and \$270 paid by Pasadena. The only city of any consequence paying firemen and policemen salaries in excess of the maximum paid in San Francisco is the City of Los Angeles, where the range is from \$260 to \$315 per month.

The average number of hours worked per week by five fire departments for which data has been accumulated is 72. These cities are as follows: Oakland, Berkeley, The City of Alameda, San Diego, Pasadena. In Long Beach, Sacramento and San Jose the average number of hours worked per week is 70. The San Francisco Fire Department averages 61.6 hours per week, slightly lower than the 62.08 in effect in Los Angeles.

There have been three increases in salaries and a reduction in working time for both departments since 1943. The last salary increase and the reduction in the number of hours worked per week in both departments was approved in the election of November, 1946. This measure became effective the first of this year and increased the cost to the taxpayers in San Francisco an estimated \$2,300,000, and represented a tax rate increase of thirty cents per \$100 of assessed value. Opposition to this measure is based upon the fact that it would freeze salaries of the members of the Police and Fire Departments into the charter at a time when costs and wages are at an all-time high. Experience has shown that it is very difficult, if not practically impossible, to secure modification of charter-fixed salaries. Uncertainty as to the future economic situation is a factor to be considered. Charter fixed salaries proved reasonably satisfactory in the more stable days before World War II. The \$200 basic rate per month, established in the charter in 1924, remained at that figure for nearly 20 years.

The Mayor and the Presidents of the Fire and Police Commissions urged that salary standardization be adopted for these employees as well as the bulk of the city employees, as the only practical alternative to freezing salaries in the charter, on the grounds that if a salary increase were justified, the data assembled by the Civil Service Commission would indicate such changes. Under salary standardization, compensations would be made comparable to the generally prevailing rate of salaries paid in other jurisdictions for these two departments. It was admitted that salary standardization was not all that it should be, but it has the virtue of being more flexible and giving recognition to the facts in the preparation of salary schedules.

Under the system of charter fixed salaries, there is no procedure provided by law or precedent for determining whether or not salaries submitted to the people for their approval are either adequate or properly meet the situation. In the present instance and in the past the men submit their salary requests to the Supervisors, and which are generally placed on the ballot. If the salaries of these two departments are to continue to be fixed by the charter, it is suggested that consideration be given to providing procedure whereby a factual study and recommendations based upon prevailing rates for like service be secured from the Civil Service Commission before submitting the measure to the voters.

Proposition No. 12

Deputy Chief Fire Department and Secretary to Fire Chief

A deputy chief of the Fire Department would be created at a salary of \$8940 per year and a secretary to the chief engineer at \$6980 per year by adding section 36.1 1/2. Introduced by members of the Fire Department and submission opposed by the President of the Fire Commission.

This amendment provides that the deputy chief must be appointed from among the members with the rank of first or second assistant chief of the department. There are eight assistant chief engineers in the department. The secretary may be appointed from the rank of battalion chief.

Proponents of the measure contend that it is necessary to have a trained second in command in the event that the chief of the department should be incapacitated and unable to take command, especially during an emergency. It is claimed that lack of unified command would create confusion. It is pointed out that in the reorganization of the Police Department in 1938 the position of deputy chief was created as one of the reforms.

The fire chief has had a battalion chief acting as his secretary for years. This amendment would create the rank of secretary in the charter and set up a salary which is \$1,100 higher than the \$5,880 now paid a battalion chief. The proposal places an unnecessary limitation on the appointment of the deputy chief by limiting the appointment to assistant chiefs. There is no limitation in the charter on the appointment of fire chief or the chief of police by their respective commissions. There are no limitations placed upon the appointment by the chief of police of the deputy chief of the police department. Under the revised organization provided by the 1938 reorganization survey and report, the chief of police has the power to designate a deputy chief, a department secretary and a director of the bureau of special service from any rank in the department. The measure was opposed by the President of the Fire Commission in the public hearing before the Board of Supervisors, who stated the Commission never had heard of the proposed change until the final day for submission.

Proposition No. 13

M. H. de Young Memorial Museum

Amendment would increase the number of M. H. de Young Memorial Museum trustees from 11 to 17 in number. Proposed by Museum trustees. Opposed by the Citizens' Charter Revision Committee.

The original grant to the city of the M. H. de Young Memorial Museum provided for management by a board of eleven trustees, of which the Mayor and the President of the Park Commission are ex-officio members. Vacancies are filled by a vote of the majority of the members. The only change is from 11 to a maximum of 17 on the Board.

Members of the Board believe that an expansion of the membership is necessary, in order to acquire younger and more active trustees. The Board, being a self-perpetuating group with no fixed term of office, consists largely of the original appointees. Proponents feel that an expansion of the membership is preferable to resignations of older members who have served the Museum well for many years. It was the belief that interest of wealthy citizens might be stimulated in the museum, if made members of the Board, and provide material assistance. The Citizens' Charter Revision Committee, appointed by the Board of Supervisors to study the charter and propose amendments, recommended disapproval of this measure on the grounds that the larger number would make the Board unwieldy and was contrary to sound principles of charter organization.

Proposition No. 14

City Planning Department and Related Sections

Measure would grant the City Planning Commission increased control over all city and county improvements, including annual capital outlay budgets. Would revise zoning procedure and provide for complete revision of existing zoning ordinances. Would create a Zoning Administrator. Proposed by S. F. Junior Chamber of Commerce.

This measure would amend seven sections of the charter and add five new sections. It was originally introduced by the Municipal Affairs Committee of the Junior Chamber of Commerce. The amendment provides that the Mayor shall add to departmental requests for capital expenditure appropriations only after such items have first been referred to the City Planning Department for a report regarding conformity with the master plan. The measure requires all departments and commissions to file with the City Planning Department before November 30th a schedule of their proposed capital improvement projects to be included in the annual budget for the ensuing fiscal year, together with a five year schedule of projects. The act requires the City Planning Department to prepare and submit to the Mayor, the Supervisors, the Controller, and all departments concerned a capital improvement program before January 20th, based on the projects submitted by the various departments. The Board of Supervisors may not appropriate funds for any capital improvement which has not been first referred to and reported on by the City Planning Department. The Board of Supervisors may increase or insert appropriations for capital improvements, but under this amendment only after such items have first been referred to the City Planning Department for a report. It also provides that no surplus can be transferred to capital improvements unless the project has been approved by the City Planning Department.

A commission of seven members will be created, five of whom shall be appointed by the Mayor. The Chief Administrative Officer and the Manager of Utilities will be ex-officio members. The appointed members will serve for four year terms and receive compensation at the rate of \$15 for each meeting actually attended, with a limit of \$5,000 to be paid all members in any one year.

A significant change is the requirement that all ordinances or resolutions dealing with the acquisition, extension, widening, narrowing, removal, abandonment, sale or change in the use of any public way, ground or open space, building or structure, which has not been previously reported on by the City Planning Department, must be referred to the department for a report before the Board of Supervisors may adopt such ordinances or resolutions. The Supervisors retain final authority for making any changes in the master plan or the improvement program, subject to previous conditions.

Zoning changes can be made on the commission's own motion or on the application of interested property owners under procedures established by supervisorial ordinances. Other changes involve establishment of a zoning administrator and the recognition of variances as a factor in zoning. The principle of variances recognizes exceptional conditions which apply to property involved or intended use of the property that do not generally apply to the property or class of uses in the same zone; and that such variance is necessary to preserve the rights of the petitioner and will not be materially detrimental to other property in the zone. Pending adoption of a new ordinance, the existing zoning ordinances will continue to apply.

Proposition No. 15

Clerk of the Board of Supervisors

Places the Clerk of the Board of Supervisors under civil service. The position is now subject to appointment and removal by the Board of Supervisors.

This amendment of Section 12 of the charter will make the position of Clerk of the Board of Supervisors subject to civil service provisions of the charter and "blanket-in" the present incumbent. It was held that the position is similar to and on the same level as such positions as the County Clerk, Recorder and Registrar of Voters, who are selected by civil service. The position, it was stated, is of an administrative and clerical nature. The Citizens' Charter Revision Committee approved the change. This is the only position in the office of the Board which can be filled by the Board of Supervisors.

Proposition No. 16

Chief Administrative Officer (Recorder-Registrar)

Amendment would consolidate offices of Recorder and Registrar of Voters, making for efficiency and economy. Approved by Charter Revision Committee.

Consolidation of two offices in the Department of Finance and Records through the appointment of the Recorder as Registrar of Voters ex-officio would be made possible by approval of this amendment. Advantages which have been cited for the change are the interchangeable use of personnel between the offices and the reduction in the number of officers reporting to the Chief Administrative Officer.

The office of Registrar of Voters is now vacant through retirement so that no individual will be affected adversely by the amendment. The Recorder recently had the number of employees in his office greatly reduced and the recording process simplified with the introduction of photographic reproductive equipment, thus making it feasible for him to assume the additional powers and duties of Registrar.

The proposal was introduced and urged by the Chief Administrative Officer. No opposition to the consolidation of these offices has been indicated.

Proposition No. 17

The Mayor

Amendment would change the date for submission of the Mayor's annual report from January to October of each year.

The new date will be more convenient for rendering the annual report, as it will coincide with the fiscal year under which the city operates. It would not require extra and detailed work developing the material for the calendar year. Departmental reports, Controller's reports and other annual statements by departments conform to the fiscal year.

Proposition No. 18

Attorney—Bureau of Delinquent Revenue Collection

Amendment would create position of Attorney in the Bureau of Delinquent Revenue Collection in the Tax Collector's office subject to civil service and would transfer the duties from the office of City Attorney. Citizens' Charter Revision Committee disapproves.

A new Section 26.1 will be added to the charter if this measure is adopted, creating a new civil service position of Attorney for the Bureau of Delinquent Revenue Collection in the Tax Collector's office and will "blanket-in" the person who has performed the duties of attorney for this bureau for the past 10 years. This measure will transfer the duties of the City Attorney in connection with handling legal matters for the Bureau of Delinquent Revenue in the Tax Collector's office. The position has been filled by a member of the City Attorney's staff for the past 10 years. His duties have included collection of all delinquent tax license accounts and delinquent accounts for the San Francisco Hospital. The Citizens' Charter Revision Committee, appointed by the Board of Supervisors to study charter revision, disapproved this measure. It is a departure from the charter principle of centralizing the city's legal work in the office of City Attorney. Arguments in favor of separate legal staff in this office might well be advanced for any city and county office, with consequent loss of efficiency.

Proposition No. 19

Attaches of the Municipal Court (Retirement Benefits)

Amendment would continue Municipal Court employees as members of the city's retirement system and health service system. Related to the action of the Legislature fixing court employees' salaries at a higher level than under salary standardization, thereby jeopardizing their status as city employees. Opposed by the Civil Service Commission.

This amendment of Section 55 of the charter, if adopted, would provide that all employees of the Municipal Court now or hereafter employed shall be members of the city and county employees' retirement system and would protect the retirement status of those employees who have accrued benefits in the system. It would also provide for continuing memberships in the employees' health service system.

During the last session of the State Legislature, the employees of the San Francisco Municipal Court sought from the State Legislature higher salaries than those granted under salary standardization for all city and county employees of equal rank and work, which the Legislature granted. The Legislature acted under constitutional provisions which the Attorney General ruled permits the Legislature to prescribe the number and qualifications of Municipal Court employees. The Legislative act revises classifications, setting up new positions not included in the existing city and county classification of positions without reference to the latter, and set up a salary schedule which increased the city's cost \$32,000 annually. The employees left their status and their right to city retirement and health system and other privileges as city employees in doubt. The move to secure the higher salaries from the Legislature was opposed by the Mayor, the Civil Service Commission and this Bureau, who predicted the present situation.

The Mayor contended that the clerks' salaries had always been set in the same manner as other city employees, under the procedure established by the charter. The city must levy the taxes and pay their salaries. When the court attaches saw an opportunity of getting more pay from State Legislature, the Mayor stated, they sought the higher pay fixed by the Legislature. The effect of passage of this measure would be to guarantee these employees the benefits of city employee status while enjoying the benefits of State employee status. The measure is opposed by the Civil Service Commission.

The Civil Service Commission has refused to authorize payment of the higher salary on the ground that rates cannot be paid except those provided

by salary standardization. Pending court action and final determination and clarification of the status of these employees, this measure seems premature and may not meet the situation that the court decision may create. It is suggested the remedy lies with the Legislature.

Proposition No. 20

Inspectors—Police Department

Amendment would reduce from 5 to 2 years period of service required for promotion from assistant inspector to the rank of inspector and provides for demotion to the inspector's civil service rank for violations as set forth in the charter after trial by the Police Commission. Proposed by the Chief of Police and approved by the Police Commission.

This amendment of Section 35.3 would provide that an assistant inspector who has actually served with the Bureau of Inspectors for two years may be appointed to the rank of Inspector without competitive examination by the Chief of Police. The Chief may demote an inspector to his civil service rank for any violation set forth in Section 155 of the charter after a trial and hearing before the Police Commission. The charter now provides for punishment for violation of Section 155 but not by demotion. Section 155 provides for disciplinary procedure for fire and police personnel guilty of violation of the rules and regulations of their respective departments and provides for reprimand, fines not exceeding one month's salary for any offense, or suspension not to exceed three months, or dismissal after trial at a hearing by the commissioners of their respective departments. The Chief of Police contends that five years' service as an assistant inspector limits too severely the number of candidates for appointment to the rank of inspector. The rank of inspector provides a salary of \$345 per month. Assistant inspectors are selected by the Chief from other ranks of the department and patrolmen would serve two instead of five years before being eligible for promotion and a higher salary. The measure was submitted by the Chief of Police with the approval of the Police Commission and was approved by the Citizens' Charter Revision Committee.

Proposition No. 21

Qualifications and Tests

Amendment would provide that two or more persons must take civil service tests in entrance and promotional examinations to make them competitive. Proposed by employee groups and opposed by the Civil Service Commission.

This amendment added the phrase "two or more" to Section 145. Employee groups who introduced the measure claimed it was made necessary by a recent opinion rendered by the City Attorney, which held that a civil service examination was competitive even though there was but one entrant. The Civil Service Commission contended that at times they found themselves unable to secure more than one applicant for some specialized services peculiar to municipal-county government and that this limitation would increase delays in filling such vacancies. Employee representatives contended that possibilities of abuse were created by the situation that now exists, following the City Attorney's opinion. Employee representatives held that it was possible to so devise examinations that only one applicant could take the examination, which nullified the competitive aspect of civil service examinations and might allow abuses of the system of selective service. The Citizens' Charter Revision Committee approved of the change.

Proposition No. 22

Substitute Promotional Examinations—Veterans

Would allow small group of veterans whose names were reached on eligible lists while in the service to take substitute examinations for a higher position. Proposed by a small group of employee veterans. Opposed by the Civil Service Commission.

This measure will amend Section 146.1 of the charter to provide that veterans who were on entrance or promotive eligible lists shall be deemed to be permanent appointees if their names have been reached for permanent appointment while they were on military leave. This would make them eligible to take examinations for a higher rank than the position for which they were eligible without having served the probationary period. In effect, it considers military service as a substitute for service with the city. It was proposed by certain employee veterans who were not satisfied with the existing provisions relative to the subject matter. It extends the date of eligibility from the effective date of the original amendment, January, 1947, to July 7, 1947. It is opposed by the Civil Service Commission.

Proposition No. 23

Suspension and Dismissal for Cause

Provides payment of salary for period of suspension when employee up for dismissal is exonerated by appointing officer; allows hearing to employees suspended for disciplinary reasons. Approved by the Civil Service Commission.

Under this amendment remission of salary could be made for periods of suspension preceding dismissal when the employee is exonerated of charge by the appointing officer of the department. Record of the suspension would be removed from the individual's service history in such cases.

Disciplinary suspensions would require written notice to the employee of the reason for suspension, and, if the suspension were for more than five days the employee could request a hearing before the appointing officer whose decision would be final. Present procedure does not provide for hearings or notice of the reason for suspension in disciplinary cases.

Proposition No. 24

Salary Base—Retired Corporals

Increases retirement allowance for five retired police corporals in line with current conditions.

The new section presented in this amendment provides a current salary base for persons retired with the former rank of police corporal for the purpose of computing retirement allowances. There are five individuals retired with this rank, which was abolished in 1937, who would receive increases of \$54.38 a month under the terms of the amendment.

Total cost of the measure to the city, based upon mortality tables, has been estimated at \$31,735 by the consulting actuary of the retirement system. Other police personnel on the retired lists receive adjusted pensions in line with current salary payments.

Proposition No. 25

California Academy of Sciences

Amendment provides for operation of a Planetarium. Empowers Supervisors to furnish funds for maintenance and operation. Proposed by a group of citizens and California Academy of Science trustees who are interested in financing a Planetarium by private subscription.

Section 52 of the charter would be amended to expand the powers of the California Academy of Sciences to include the management and operation of all buildings and other improvements including the Alexander F. Morrison Planetarium and auditorium hereafter erected under the authority of the Academy, a non-profit corporation. At present the Academy operates the Steinhart Aquarium, the Natural History Museum, Simson African Hall, located in Golden Gate Park. The proposed improvements must be approved by the Park Commission and the Art Commission. Subject to approval by the Board of Supervisors by ordinance, the Park Commission may set apart portions of property under its control for such improvements. Yearly statements of the Academy of Sciences financial operations shall be filed with the Mayor and Board of Supervisors and provisions made for admission fees to be charged by the Planetarium. The Board of Supervisors is empowered to furnish the necessary funds for the operation and maintenance of the improvements and projects covered by the act. Employees of the California Academy of Sciences shall be under civil service provisions of the charter, with the exception of employees specified by the act, and thereafter vacancies shall be filled in accordance with civil service examination procedure. There was no opposition to the measure when it was before the Board of Supervisors for submission to the voters.

Proposition No. 26

Parking Fines—Policy Declaration

Passage of measure will increase minimum parking fine for three types of parking violations from \$2 to \$5. Estimated revenue, \$75,000 yearly. Approved by Police Commission.

"Shall the minimum fine for illegally parking vehicles in 'bus zones,' 'non stopping streets,' and on railroad tracks be fixed at five dollars (\$5.00)?" is the question asked the voters by this declaration of policy.

This proposition is the reverse of a policy declaration referred by the Board of Supervisors and approved by the voters last year which reduced the minimum fine from five dollars to two dollars. Representatives of the police department have asserted that the higher fine is necessary for traffic control and to deter drivers from paying the low cost fine as a parking charge. Each of the violations for which increased fines are asked are important for traffic law enforcement and in the instances of the bus zone violator and the "non stopping streets" violator large numbers of persons are inconvenienced through the thoughtlessness of one individual.

In terms of increased revenue, which is incidental to the primary problem of traffic control, the city would receive approximately \$75,000 annually from the higher fines if the number of citations remained constant.

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No. 1

June 1st, 1948 Ballot Propositions

5 Charter Amendments

4 Bond Propositions, \$104,950,000

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with officials and specifically work for economy and efficiency in municipal affairs."*

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CHARTER AMENDMENTS

1. Arguments and Costs to Voters of Ballot Measures.
2. Supervisors' Salary Increase.
3. Sheriff's Fees.
4. Office Hours, City and County.
5. Non-certificated Employments in Public School Cafeterias Subject to Civil Service.

BOND PROPOSITIONS

7. Juvenile Detention Home Bonds, \$2,750,000.
8. California Cable Purchase Bonds, \$200,000.
9. School Bonds, \$87,000,000.
10. Sewage Treatment Bonds, \$15,000,000.

CHARTER AMENDMENTS

Proposition No. 1

Measures, Arguments and Statements of Controller Relative to Costs, to Be Mailed to Voters

A proposed amendment to Section 183 of the charter will, if adopted, revise the existing procedure by changing the method of submitting arguments concerning ballot measures to the voters and require cost estimates to accompany all ballot measures, including bond issues.

This measure will require all arguments for or against propositions submitted to the voters to be printed in pamphlet form in the same manner as arguments accompanying State measures. Persons or organizations who desire to submit arguments concerning ballot measures to the voters along with sample ballots will be required to submit written copy to the Registrar 35 days before the election. Under the present procedure such ballot arguments are submitted individually as printed leaflets 25 days prior to the election day.

The proposed new procedure will improve conditions in the Registrar's office where it is necessary at present to assemble all ballot arguments to accompany sample ballots sent to more than 400,000 individual voters. It will provide that all arguments will be in the same form and type and each such argument must be accompanied by an amount sufficient to cover the cost of printing.

The measure further provides that the Controller shall prepare estimates of the increased cost of Government and the effect on the tax rate of any measure submitted to the voters and such written statement shall be in a form appropriate for mailing to the voters with sample ballots.

The proposed provisions dealing with estimates of cost being sent to voters were introduced by the San Francisco Center, League of Women Voters, and advocated by the 1947 Grand Jury and the Bureau of Governmental Research. The change in form, method and printing of arguments to voters was introduced by the Chief Administrative Officer and the Registrar.

Proposition No. 2

Number, Compensation and Meetings of Supervisors

This amendment proposes a salary increase of \$200 per month for members of the Board of Supervisors, which shall become effective July 1st of the

fiscal year following ratification of the amendment by the voters and the Legislature.

The compensation now is \$200 per month, which has been in effect for more than 35 years. In that time, the City and County functions have expanded, costs and compensations generally have advanced. In the years prior to the first World War, City budgets of 25 or 30 million dollars were sufficient to run the City's essential services. Today, the Board of Supervisors is responsible for budgets exceeding 100 million dollars. Many important services and facilities have been added, including an airport, a water and power system, welfare services and an increase in Municipal personnel from approximately 7,500 to 15,000. The number of supervisors was reduced from 18 to 11 by the present charter.

The salaries of every elective or appointive official of the City, County or Unified School District, with the exception of Commissioners, have been raised.

There has been no opposition to proposition No. 2, to date.

Proposition No. 3

Sheriff

Proposition Number 3 was proposed for the purpose of amending section 32 of the charter by providing that the sole compensation of the Sheriff shall be the salary paid for his services, thereby eliminating the revenue received in connection with the sale of merchandise, etc. at the county jail. The present incumbent has turned these revenues over to the General Fund of the City and County. This has amounted to about \$4,500 annually.

However, through some clerical error the amendment fails to delete the existing provision and the measure probably fails of its purpose. The original copies were found to be correct, but in the official printing the deletion failed to be included. The measure should be voted down. If it carries it will not be ratified.

Proposition No. 4

Office Hours

This measure proposes an amendment of section 220 of the charter which provides that all public offices of the City and County shall be open for business during such hours and on such days, except legal holidays, as the Board of Supervisors shall fix by ordinance. The measure further provides that the Board shall use its best judgment and discretion in the interests of public convenience.

Since 1943-44 the City has been on a five day, 40 hour week with skeleton crews maintaining offices open for public business on Saturday mornings. The Political Code was amended by the Legislature last year to allow boards of supervisors to set office hours. However, existing provisions of section 220 prevent the San Francisco supervisors from acting in accord with the permissive legislation enacted by the Legislature.

Some officials believe there is a possibility that efficiency may be improved, if the present staggered week is abolished. The skeleton forces assigned to Saturday duty take time off on other days in lieu of Saturday mornings, thereby reducing forces during the week.

There are a large number of City employees whose normal week is $5\frac{1}{2}$ or 6 days, mainly in institutions, parks, etc. Presumably these positions and departments would not be affected by action of the Supervisors.

However, if Saturday is declared a holiday, it may, at some future time, be used as an argument for premium pay for Saturday work in the departments where the City cannot close down on that day.

Proposition No. 5

Non-Certificated Employments in Public School Cafeterias Subject to Civil Service

This proposition introduced and supported by the CIO, proposes a new section to be added to the charter, section 135.1, which will place all public school cafeteria employees under charter civil service provisions. This would include those who have been continuously employed since January 1, 1948, up to and including the date of ratification of this Section by the Legislature and who also have been residents of the City and County for at least one year immediately prior to ratification. The proposed measure excludes persons holding part-time positions whose total compensation is less than \$80 per month.

The proposition will affect approximately 250 employees of the school department, many of whom are housewives living in the vicinity of the school and some of whom are considered part-time employees. It is generally conceded that these employees have not been receiving the standard culinary union scale for this type of employment. Many of these employees are at or above middle-age and some are said to be 70 or more years of age.

Under the proposed amendment they would be "blanketed in" the civil service system of the City and County and will receive the regular pay scale of trained culinary workers. Furthermore, these employees have not been selected in accordance with physical standards required under regular civil

service employment procedure. The Civil Service Commission is understood to have investigated this situation and to have found that the operations of school cafeterias are not conducted in a uniform or standard manner and that both operations and costs varied greatly.

If it is assumed that it should be the policy of the City to place school cafeteria employees under civil service provisions of the charter, the City also should at the same time provide for a proper standard of operation, including the employment of personnel selected under rigid physical and other civil service standards required for other employments of the City and County in order that the increased payroll cost would be compensated for by improved operation and reduction in employments. The effect of increased wages, pension and other costs, if this proposal is adopted, has not been determined.

BOND PROPOSITIONS

Proposition No. 7

Juvenile Detention Home Bonds

The Board of Supervisors have submitted to the voters this proposal to incur an additional bonded indebtedness of \$2,750,000 for the completion of a new Juvenile Detention Home or "Youth Guidance Center" on land adjoining the Laguna Honda Home. This proposal follows approval of a \$1,250,000 bond issue in 1944 and the appropriation of \$351,000 in the current city budget for construction purposes, bringing the total amount now said to be required for the center to \$4,351,000. Delays in getting the new structure underway has been due to difficulties in securing a site, a lawsuit against contracting for engineering services brought by city employees and a delay in completing the architectural plans because of the topography of the land selected. During the course of these delays from November 1944 to date, construction costs are asserted to have increased 67 per cent.

At the time of the first bond issue the Bureau of Governmental Research recognized the necessity for new quarters for juvenile detention purposes. Between 1944 and 1947 the average daily number of children under care has increased from 54 to 81 with peak days running as high as 110 to 120. During this period the average length of stay increased from 5 days to 11 days. Both of these factors have placed a heavier load upon a structure which was inadequate to absorb the increase.

The construction which is planned would be in accord with the most advanced probation theory and would combine administrative, professional

and detention facilities on one site. The detention accommodations would be arranged on a cottage plan with modern architecture. Provision would be made for the separation of delinquents from dependent and neglected children which is not possible at the building now in use. Upon completion the new plant would replace three units; the present detention home at 150 Otis Street, Laguna Honda Children's Home capable of housing 25 small babies and Oceanview School for Girls where approximately twenty-five problem and delinquent girls are accommodated.

Arguments which have been presented for passage of this bond issue are similar to those used in 1944 at the time of the original bond issue. Crowded and generally unsatisfactory conditions at the present locations can be cited as the principal reason for building the new center. According to the Chief Juvenile Probation Officer failure of the bond issue would result in the operation of all of the present buildings plus the facilities that can be constructed at the new site with the funds now available. This would not result in economical or satisfactory operation and an inadequate program would be carried on at excessive cost, if maintained for a long period of time. This is unlikely to happen, as budget funds would be available for completion of the detention units, which are expected to cost an estimated \$2,000,000 and there is \$1,536,500 on hand in the City Treasury at present. Administration and courts would remain at 150 Otis Street.

Plans for the new home are said to provide sufficient flexibility to serve San Francisco for the next fifty years.

The new center is claimed to have a capacity of 195 beds for the detention of children (the architect made the statement before a citizens group that a 370-bed capacity was involved) which is expected to handle the peak population periods. The anticipated average daily population is 75 to 78 boys, 45 girls and 65 children, giving a total of 185 to 188. The present home on Otis Street was designed for a capacity of 41 and has a daily population of as high as 110 to 120 children. The Chief Juvenile Probation Officer pointed out that many children referred by private agencies are now refused admittance because of the limited space, others are kept in the city prison and at San Francisco Hospital. In addition to the children in detention, the department estimates that 13,046 children per year will be serviced through the facilities, including medical, psychological and counselling services.

Voters and taxpayers in deciding upon this proposition must give serious consideration to the extent and cost of the facilities to be provided. The need for some new facilities was determined four years ago. Now it is a question of predicting what the juvenile delinquency and dependency situation will be in the future. With the war and postwar dislocations largely in the past, it would

be reasonable to expect some decline in juvenile crime and broken family situations. This apparently is happening in the East Bay. Even at the present time, a large proportion (25%) of the cases carried in the court are unofficial in character, that is, the staff can handle the cases without making the children wards of the court. This is a professional social work approach to the problem to reduce legal procedure and expenses, which is commendable in its intent. However, it is not inconceivable that with new, large facilities available the "unofficial" caseload would be expanded to include the most trivial delinquency, or mischievous conduct, which should be handled within the family or at school.

The actual cost of proposed detention facilities alone is approximately \$2,000,000. The balance of the estimated cost is for other facilities, the largest of which is the administration building at a cost of \$1,221,887.

The original proposal in September 1944 generally contemplated two story construction. With the exception of the administration (and service) building, the present plans propose one-story buildings. This probably affected costs, as well as increased construction costs since the plan was first proposed.

The Controller has estimated the total cost of this proposed bond issue at \$3,127,335, which includes \$377,335 for interest and \$2,750,000 for redemption.

Following is a summary of the principal buildings which are planned for the new center and the estimated cost of each, including equipment and architects' and engineers' fees:

<i>Building</i>	<i>Area - Square Feet</i>	<i>Cost</i>
1. Administration	67,250	\$1,221,887
2. Service	26,000	486,000
3. Girls' Cottage—with dormitory.....	7,000	128,228
4. Girls' Cottage—bedrooms only.....	7,730	141,710
5. Girls' Cottage—bedrooms only.....	6,500	124,922
6. Boys' Cottage—with dormitory.....	6,400	116,930
7. Boys' Cottage—bedrooms only.....	6,500	124,922
8. Boys' Cottage—bedrooms only.....	6,500	124,922
9. Boys' Cottage—bedrooms only.....	6,500	124,922
10. Boys' Cottage—with dormitory.....	6,500	124,922
11. Gymnasium—boys and girls.....	18,000	192,600
12-14. School Units	6,000	83,460
15. Chapel	4,000	77,040
16. Children's Receiving Building.....	1,400	14,760
17. Children's Cottage	7,400	134,038
18. Children's Cottage.....	8,000	139,174
19. Nursery	10,000	215,070
Total.....	201,680	\$3,575,507

Proposition No. 8

California Cable Purchase Bonds, 1948

This proposed general obligation bond issue in the amount of \$200,000 will, if authorized by the voters on June 1st, be used to acquire the operative properties of the California Street Cable Railroad Company, including 11.5 miles of single track, rolling stock and the real property at California and Hyde streets. The purchase proposition was proposed as a ballot measure as a result of the inability of the present owners to operate the properties under the platform wage rate awarded the men in the settlement of a wage dispute, on a parity with the Municipal Railway platform employees.

The California Street Cable Railroad Company operates a double track cable railway on California street, a line on O'Farrell and Hyde streets and the Jones Street shuttle line operating between Market and O'Farrell streets. The price of \$200,000 was set by the management as the lowest possible figure which the Company would accept. The Mayor disclosed that he had agreed in conversation with officials of the Carmen's Union, to submit a purchase bond proposal as a means of settling a recent one-day strike of California Street Cable Railway employees.

In 1947 the Company operated 107,360 car hours and handled 7,943,632 revenue passengers. The Company took in revenue amounting to \$728,126 passenger revenue, with a 10 cent fare now in effect. The operating loss was \$55,000, but did not include the full effect of recent wage awards. It however, included \$20,000 for retroactive wages applicable to 1946.

Operating expenses on the Municipal Railway Cable lines in March, 1948, according to the latest itemized accounting statement, gave the cost to operate Municipal Railway cable cars as \$6.74 per car hour. On the basis of the number of car hours the Company operated in 1947, the operating costs alone, exclusive of charges for depreciation, accidents, or interest would amount to an estimated cost of \$723,600. Revenue passengers handled by the Company in 1947, totalling 7,943,632, at the City's 8-1/3 cent fare would mean an estimated revenue of \$661,700. On this basis the estimated operating loss would be \$61,900. However, the lines must make provision for accidents, which the City's March statement showed amounted to 65 cents per car hour. If provision for depreciation is added, another 23 cents per car hour is involved, bringing the total cost per cable car hour up to \$7.62, according to Municipal Railway accounts. On this basis the estimated loss is \$147,300, exclusive of interest and bond redemption charges. The cost per car hour varies from month to month. In the previous month, Municipal Railway

accounts show that the cost per cable car hour was \$7.99. On this basis, the operating loss is estimated as \$196,000. The annual loss probably will average an estimated \$170,000 per year on the basis of 1947 California Cable Railroad Company experience and Municipal Railway costs.

The manager of utilities estimates revenue on the basis of January 1948 experience will amount to \$687,000, operating expenses at \$650,000, and deduction for accident reserve at \$34,350, leaving an estimated income of \$2,650.

It is anticipated that possible abandonment of the Jones Street shuttle line may reduce the estimated loss. Possible conversion of the O'Farrell-Hyde street lines to gasoline or trackless trolley coach operation would improve the operating possibilities from a financial standpoint, but scarcely enough to wipe out the substantial loss indicated. There is a large cost involved in removing the rails and cable slots from the streets involved, repaving the track area and resurfacing the entire street to provide an acceptable and uniform surface. The cost of removing the rails and cable slot, repaving track area, improve pavement outside track area and resurface curb to curb on Sacramento Street, from Market street to Van Ness Avenue recently was let under contract for \$104,900. The cost per foot for removal of track alone for a 6-foot width was \$2.83 and \$3.73 for an 8-foot width.

The report does not furnish any information concerning the continued operation of the cable cars either on California, Hyde or Jones Streets or possible replacement with modern equipment. It must be assumed, therefore, that cable car operation will be continued. The report does state, "With reference to the operation under Municipal ownership, studies indicate that under present conditions, the properties can be operated with the anticipated revenues without reserves for depreciation."

The question of abandoning cable car service on California street is involved in the purchase proposition. The Mayor is quoted as stating that it is the present Utilities Commission's policy to retain the cable cars for an indefinite period. This policy is subject to change, if conditions change. An attempt may be made to amend the charter provision adopted at the last election to retain cable car operation as a permanent institution, thereby saddling the City with a permanent traffic hazard and financial liability.

Proposition No. 9

School Bonds, 1948

Summary:

An \$87,000,000 bond proposition proposes to add 24 new elementary schools, increase the size of the sites of existing schools, rehabilitate school buildings retained for future use and provide for junior college and vocational education.

Proposals and factors in the plan, which seem to require particular scrutiny include: 1. The enlargement of areas to be occupied by buildings for all classes of schools in San Francisco's restricted land area; 2. Use of unit cost factors in determining the size of the program, which are more than twice the \$735 per pupil unit cost paid by the city of Oakland for an elementary school building in a contract let on May 18, 1948; 3. The 24 new schools proposed in the Engelhardt report, which are estimated to cost \$25 millions on the basis of the \$1,500 cost per pupil estimated unit cost used by Dr. Engelhardt, would cost \$13,500,000, if Oakland bids at the rate of approximately \$800 per pupil unit cost (the average of several bids), is used as the basis for the estimate; 4. Failure to supply detail of any kind concerning allocation of the estimated \$10,000,000 modernization fund; 5. Absence of figures or estimates of the number of home units that need to be torn down or removed to make way for new school buildings and enlarging school sites in priorities one through four; 6. Absence of details or data on millions of dollars allocated for City College, vocational education and a school service center.

The Controller has estimated the total cost of the proposed school bond issue to be \$115,262,500; this includes \$28,262,500 in interest charges and \$87,000,000 for redemption over the life of the bond issue.

Analysis of Bond Proposition:

The Board of Education proposes a general obligation bond issue totalling \$87,000,000, which, if authorized by the voters on June 1st, is expected to finance a portion of a school building and rehabilitation program, with an estimated cost of \$117,730,000 for this "Priority One Program" proposed by Dr. N. L. Engelhardt and associates, educational consultants of New York City employed by the Board. An estimated additional sum of \$7,000,000 may possibly be realized from the sale of school property, which could increase the building program to \$94,000,000.

The school building program submitted by the consultants, in addition to the \$117,730,000 originally proposed as "Priority One Program," involves financing projects for priorities two, three and four at an unstated cost of additional millions of dollars. The report refers to such priorities as the 1954-67 program, which, if it is to be carried out, will involve additional bond issues or budget financing.

An analysis of the details of the \$87,000,000 bond proposal was not feasible, as Dr. Engelhardt, Jr.'s reply to the Bureau of Governmental Research's questionnaire stated that the breakdown was "not definite." Board of Education members have indicated that the bond issue is based on the Engelhardt \$117,730,000 "Priority One Program." Hence the details of this part of the Engelhardt report are analyzed and presented in the following pages.

The \$117,730,000 priority one program estimated cost breakdown is given as follows: Elementary school construction, \$37,305,000; junior high school construction, \$19,200,000; senior high construction \$13,825,000; City College (junior college), \$8,000,000; vocational special educational units, \$3,000,000; school service center building and site, \$3,000,000; administration building and site, \$4,500,000; equipment for above units, \$7,100,000; rehabilitation of existing school buildings, \$10,000,000; and estimated cost of new sites and additions to existing sites, \$11,800,000.

The Board of Education has reduced the priority one program from \$117,730,000 to \$87,000,000 with the following tentative breakdown: \$37,305,000 for elementary school construction; junior and senior high programs to \$14,200,000, the City College program to \$4,000,000, the vocational and service center plans to \$2,000,000 each; \$10,000,000 for rehabilitation and \$10,300,000 for land acquisition. This breakdown, however, is "not definite."

Basic Problem Confronting School Authorities

The basic problem confronting the School Department is an expected increase in the school department enrollment due to an increased birthrate and an increase in the population, which will affect school enrollment in the immediate future. The anticipated wave of kindergarten and elementary school enrollment will continue to rise in elementary schools to an estimated peak of 68,920 by 1954 and subside to a stable level of 46,000 by 1961, according to the Engelhardt report, Volume I, Table X. The report anticipates junior high enrollment will rise from about 14,000 to an estimated peak of 32,000 by 1960 and recede to 19,000 by 1966-67.

The problem has been complicated by a shift in population and consequently a growing school population in new districts. The rapid progress in

new home construction of one kind or another soon may absorb the remaining open spaces desirable for school locations, according to the report. The total estimated cost of all phases of land acquisition required to conform to the Engelhardt program of larger play areas for all classes of schools as well as essential requirements for new schools, is \$11,800,000.

Enrollment Estimates:

The Engelhardt report suggests 750,000 as the actual civilian population in 1945 excluding military personnel and ship personnel. This represents an 18 per cent increase over 1940, the report states, and "estimates of 1947 population run 50,000 above and below the 1945 figure." The report states that the indicated population for 1970 ranges between 820,000 and 880,000.

For purposes of forecasting elementary school enrollments the report assumed that births in 1948 would be in the neighborhood of 15,000, dropping by 1950 to about 9,500. The latter figure is based on the ratio of average number of births of 7,500 with a population of 635,000. "Applied to an assumed population of 820,000 it results in about 9,500 births a year." The latter figure is used to approximate future enrollments following the peak years.

Enrollment Estimated by Engelhardt Survey Group Showing Present, High Point and Stabilized Level.

	<i>Elementary</i>	<i>Jr. High</i>	<i>Sr. High</i>
1947-48	37,984	13,878	12,570
1954-55	68,920		
1960-61		32,115	
1961-62	45,497		
1962-63			24,768
1964-65		19,110	
1966-67			14,810
Increase	<u>7,513</u>	<u>5,232</u>	<u>2,240</u>

The foregoing tabulation of enrollment estimates indicates the temporary nature of the problem. The increase from existing enrollment levels to the stabilized future school enrollments, as estimated by Dr. Engelhardt, provides a net increase of 14,985 over 1947-48 enrollment.

Elementary School Problem:

The basic elementary school problem is one of providing for a temporary enrollment extending over a period of a few years. It is estimated elementary enrollment will increase to a peak of 68,920 in 1954-55 from the present enrollment of approximately 40,000 and decline at an average rate of 3,350 per year, or 23,423 by 1961-62, according to estimates in Dr. Engelhardt's

report. It is estimated in this report that an enrollment of 42,003 kindergarten to the sixth grade pupils will be in the school system in 1948-49. The Engelhardt estimates of enrollment indicate decline to a stabilized level of approximately 46,000 by 1961-62.

School Capacities

The present usable administrative code capacity of elementary schools to be continued in service is considered to be 34,685 in the Engelhardt report. The administrative code capacity provides for maximum capacities of 30 pupils per room for kindergarten to the third grade and 35 in grades four to six inclusive.

The September 1946 report of the City Planning Commission, based upon a survey of the school situation at the request of the Board of Education, gave the total elementary school capacity as 47,845. The Engelhardt report, Volume II, lists the "normal capacity" of elementary schools now in the system as 49,020 and says that this is the capacity for which the school was designed and built, but that in their (Engelhardt and associates) opinion this was above the proper number considering the size of the rooms and other factors.

The method of calculating capacities is important, as it affects the future program to a significant degree. To sum up, the so-called normal capacity has been calculated by the division of properties of the School Department on the basis of 35 pupils per classroom, times the number of classrooms in a given school. The administrative code capacity was established by the Board of Education and provides for 30 pupils per teacher for kindergarten and grades one through three; 35 pupils per teacher for grades four through six; and for 30 pupils per teacher in regular classrooms and 24 in shops and laboratories for junior and senior high schools. The Engelhardt report, Volume II says "Obviously, in order to adhere to this policy of the Board of Education, space must be provided for each class established under these teacher-pupil ratios." The report states that capacities of school buildings have been calculated by the Survey Staff to determine what they would be, if class size conformed to the Board of Education's administrative code capacity.

The Engelhardt report recommends 25 pupils per class in the kindergarten and grades one to three and 30 pupils in grades four through six as the ideal class size. The report concludes the subject by stating that "in planning for the future school plant the use of Optimum Capacity will make possible the reduction of class sizes within a reasonable period of years."

A recapitulation of existing school facilities shows the different methods of calculating capacity, which affects conclusions and results in calculating the needs of the school department.

Capacity of Existing Elementary Schools

	Pupils
Normal Capacity (35 pupils per class).....	49,020
Administrative Code Capacity (30 pupils per class, k-3)	
(35 pupils per class, 4-6)	43,680
Optimum Capacity (25 pupils per class, k-3 grades)	36,540
(30 pupils per class, 4-6 grades)	
Present Usable Admin. Code Capacity (see above).....	34,685
1946 Local City Plan and School Staff Survey.....	47,845
PRESENT ENROLLMENT (Oct. 31, 1947).....	38,819

The estimated future enrollment of a permanent nature is roughly 46,000 compared with 38,819 in October 1947, according to the Engelhardt report. In 1949-50 the report anticipates an enrollment of 46,555. The problem presented by anticipated enrollment increases requires permanent construction to accommodate 46,000 kindergarten-elementary pupils. The balance of the estimated increase is expected to be accommodated by home school units (small, temporary units to house k-3 grades), temporary facilities, such as portables and some crowding.

Since every indication supports the theory that a large part of the anticipated increase in school population may be temporary in nature, the temporary type of construction is the only reasonable solution. In a discussion with Dr. Engelhardt, Jr., members of this Bureau's staff were informed, in answer to a question that temporary quarters were contemplated for all k-6 enrollment above 46,000 and up to 57,000 (in the year 1951-52) and would be met by use of temporary type of construction previously mentioned and that the wave of enrollments above 57,000 would have to be met by "overcrowding."

Existing Schools to be Replaced with New Buildings

The Engelhardt program proposes the replacement of seven elementary school buildings on the present site.

Seven Elementary School Buildings To Be Replaced on Existing Sites:

School	Priority	Con- structed	Admin. Code Capacity	Type-of Construction	Est. Enroll'm't 1954**
*Burnett	1	1910	360	Wood Frame	800
*Cabrillo	2	1925	485	Wood Frame	350
*Grattan	2	1911	495	Wood Frame	550
*Kate Kennedy	4	1911	450	Wood Frame	300
*Longfellow	3	1911	450	Wood Frame	450
*Miraloma	1	1947	225	Portables	350
*Patrick Henry	1	1913	355	Wood Frame and Reinforced Concrete	

Nine Schools Proposed for Replacement by New Buildings On Other Sites:

<i>School</i>	<i>Priority</i>	<i>Con- structed</i>	<i>Admin. Code Capacity</i>	<i>Type of Construction</i>	<i>Est. Enrollm't 1954**</i>
Bret Harte	1	1911	320	Wood Frame	1370
Candlestick Cove	1	1943	515	Bungalow Type	900
Douglas	1	1895	290	Wood Frame	350
Franklin	1	1911	420	Wood Frame	550
Fremont	1	1892	385	Wood Frame	300
Geo. Peabody	3	1911	385	Wood Frame	450
Hillcrest	1	1919	120	Wood Frame	350
I. M. Scott	1	1895	255	Wood Frame	225
Lake Merced	1	1944	515	Bungalow Type	860

*Enlarge site by purchase of adjacent property.

**Peak year.

The program proposed by Dr. Engelhardt further provides for immediate replacement of 11 existing elementary schools and enlargement of the sites of 46 existing schools, or more than half of the 82 elementary schools in the San Francisco system.

Sites are proposed for enlargement under priority one for eleven schools in addition to three of the preceding seven indicated for eventual site enlargement.

<i>Elementary School</i>	<i>Date Constructed</i>	<i>Administrative Code Capacity</i>	<i>Enlarge Building</i>
Bay View	1908	485	x
Cleveland	1911	450	
Columbus	1914-23	360	
Commodore Stockton	1915	775	x
Farragut	1911	580	x
Francis Scott Key Annex.....	1927	225	x
Geary	1930	320	x
Golden Gate	1908	385	x
Guadalupe	1922	515	
Lawton	1936-40	550	x
Parkside	1922	645	

Twelve of the 46 school sites listed for enlargement by purchase of additional property would also have buildings enlarged.

Changes in Standards of School Site Sizes and Buildings Proposed

In addition to meeting school needs to provide for the new enrollments expected in the next few years, the Engelhardt plan deviates from heretofore accepted San Francisco school building standards by increasing the size of school sites and by reducing the average size of schools.

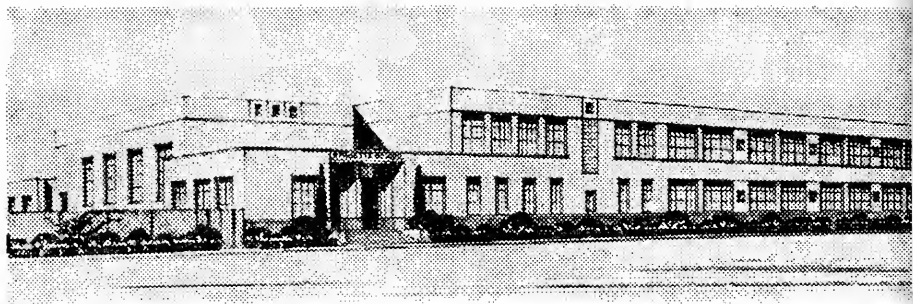
The Engelhardt report, Volume II, states that it has been determined that for elementary schools with an enrollment of approximately 600 pupils that a site of at least five acres is desirable. City blocks in San Francisco *vary in size from 2.6 to 3.3 acres*. The report arranges elementary schools into groups according to the area of their sites and lists 12 schools, including Francis Scott Key, one of the newer San Francisco schools, as having more than two acres and being "fair to satisfactory" and the balance poor or unsatisfactory.

Increases in the size of the sites for some existing schools is, in part, to accommodate the proposed construction of portables and additions to accommodate a larger school population.

The report of Dr. Engelhardt further states, Volume II, that "In practically every case a full block should be obtained in order that the maximum area can be made available, although it will be appreciated that this is below the desirable standard."

The proper size for junior high school sites was considered to be approximately 15 acres. Twenty-six acres was considered proper for senior high school sites for a 1,500 pupil school. For purposes of comparison the area occupied by the George Washington High School is 15.9 acres and the area of Abraham Lincoln High is 16.1 acres.

The Engelhardt report proposes 1,200-1,500 capacity high schools, 800-1,000 junior high schools and 500-800 elementary (k-6) grade schools. Dr. Engelhardt states in his report, Volume V, that "as far as practicable these capacities have been used in future planning," with some variances due to unavailability of reasonably priced sites and heavy populations and where existing buildings exceed the ideal sizes. In such instances it was not considered economical or desirable to propose changes.



Architects' drawing of new Lafayette School to be constructed in Oakland at a cost of \$591,852 under contract awarded on May 18. Per pupil cost is \$735 in contrast with \$1,500 estimate used by Dr. Engelhardt for San Francisco. (Drawing courtesy Oakland Tribune.)

Oakland Plans a \$23,000,000 School Building Program:

Other cities face school problems similar to the San Francisco situation and it is interesting to see how another city proposes to solve the problem caused by increased enrollment.

The City of Oakland proposes to spend \$23,000,000 on a school construction program to meet expanding requirements. They also anticipate a rapid growth and decline in enrollment. In 1947 elementary enrollment was 26,400 in 1948 it is 29,300 and by 1954 it is expected to be 40,000, the peak year. By 1957 they expect a decline to 38,300 and to 32,000 in 1960.

The estimated increase from 1948 to 1954 amounts to 36 per cent. The San Francisco elementary school population, upon which the Engelhardt program rests, follows the same pattern and in about the same time-period, but the latter indicates a 70 per cent increase from the enrollment of about 40,000 in 1948 to an estimated peak of 68,920 in 1954-55.

The Oakland Board of Education, on May 18, 1948, let a contract to the low bidder of \$591,852 for the construction of the new Lafayette school at 1707 West Street, Oakland. This will be a two story concrete structure of attractive design, as indicated by architects' drawings, and is considered first class construction. The school will contain 54,500 square feet of usable floor space, including the boiler room. The cost per square foot of floor space under the low bid is \$10.90 and \$11.60 per square foot for the next highest bidder, who, incidentally bid \$630,992. Nine bids in all were received. Seven bids were under \$650,000.

The new Oakland Lafayette school will have 23 large classrooms designed to take 40 pupils if necessary, but normally expected to handle 35 pupils. The school will have an auditorium, a cafeteria and a number of auxiliary rooms. The indicated capacity is 805 pupils although this will be exceeded, according to Oakland school authorities.

The cost per pupil to construct this school under an actual low contract is \$735. The average under the next six bids is slightly under \$800 per pupil.

Comparative Estimates of Elementary School Building Costs

The Engelhardt report under priority one recommends construction of 24 new schools with a capacity of 16,850 pupils; 11 home school units with a capacity of 2,980; and 11 additions to existing schools of 2,840 pupil capacity. It also proposes under priority one the construction of 8 auditoriums, 3 cafeterias, one library, and one administrative unit. The total additional capacity is estimated as 22,670 pupils and the estimated total cost for elementary school construction under priority one is \$37,305,000. **No details are furnished to show the cost of items included in this lump sum estimate.**

The "usable administrative code capacity" of existing schools is set at 14,685 pupils, the lowest of several figures. If the total of 16,850 pupil capacity for 24 new schools is added to usable administrative capacity, the permanent capacity is 51,535. This figure is comparable to the permanent estimated increase in enrollment of 46,000. The estimated future capacity, both temporary and permanent, will be 57,355. The report indicates that the increased permanent capacity might be used either to put into effect the proposal to reduce class size to 25 or to abandon existing schools.

The Engelhardt Survey Group used cost estimates based upon opinion of architects and translating the latest school San Francisco has built into today's construction costs and arrived at the figure of \$1,500 per pupil of elementary grade schools. Dr. Engelhardt, Jr., informed the Bureau that they used \$2,500 per pupil for junior high and \$2,750 per pupil for senior high school construction. These costs include an auditorium, a cafeteria and will provide a complete school unit.

Using the estimate basis of \$1,500 given by Dr. Engelhardt, Jr., as the basis for their estimates of permanent elementary school building costs would produce an estimated \$25,275,000 cost to construct 24 new schools with a capacity of 16,850 pupils, complete with auditoriums, cafeterias and auxiliary rooms. Eleven home school units, which would cost considerably less per pupil to build, have a capacity of 2,980. The report of Dr. Engelhardt does not give estimates of home school costs. Eleven proposed additions involve another kind of construction, including portable and cottage type construction with estimated cost ranging from \$7,000 to \$10,000 per room.

If schools of the type being constructed under a contract recently let by the Oakland Board of Education are used as the basis for estimating San Fran-

cisco's requirements, **the estimated cost to provide complete school units should be based upon \$800 per pupil** (the average cost per pupil for seven bids submitted in connection with the Lafayette school).

The estimated cost to provide 24 new schools with a capacity of 16,850 pupils would be roughly \$13,500,000 on the basis of Oakland bids.

The addition of 24 new schools would increase the 34,685 pupil capacity Dr. Engelhardt considers "usable administrative code capacity" by addition of 16,850 pupil capacity to provide a capacity of 51,535. There is now said to be a capacity of 43,680 in use, including temporary units, also figured on the basis of the Board of Education's administrative code capacity. Enrollment is expected to level off at about 46,000 for elementary (k-6) grades. It is reasonable to assume (and the Engelhardt group takes this position), that the balance of the estimated enrollment, which is temporary in nature, will be accommodated with temporary structures. The cost of providing temporary facilities up to a possible 10,000 pupil capacity, for example (\$7,000 to \$10,000 per room for portables and cottages), would be under an estimated \$3,300,000.

Junior High Schools

In connection with junior high schools the Engelhardt report states "It is recommended that all construction listed under Priority One be completed not later than 1952. All construction under Priority Two should be completed not later than 1958." The Engelhardt report indicates an estimated cost of junior high school construction as \$19,200,000.

The report states that those districts indicated as first priority should receive attention immediately, especially because of the need for immediate relief of elementary schools now carrying the junior high school load.

Eleven junior high schools have an "optimum capacity" rating of 9,750.

The 1946 City Planning Staff report, in cooperation with the staff of the superintendent of schools, stated the total capacity was 16,357 at that time. The administrative code capacity is set at 30 pupils for regular classrooms and 24 for shops and laboratories. Including districts not served by junior high schools the enrollment was 14,317 with 11,172 enrolled on October 31, 1947 in the 11 junior high schools. Enrollment is estimated at 15,280 by 1954 and 29,421 by 1960. Thereafter, it is expected to decline and is estimated will level off at 19,000 in 1964.

Total capacity following completion of priority one program is set at 16,430. New buildings with a capacity of 5,800 pupils are proposed, rebuilding of Francisco and conversion of Girls high school will add 1,360 pupil

capacity, while abandonment of John Swett school will reduce capacity by 480 pupils. Priority two (not figured in the estimated cost of \$117,730,000 or priority one program) calls for construction of new buildings with a capacity of 7,900 pupils. Additions to existing buildings will add 500 pupils to the total capacity, and conversion of Lowell high school will provide for another 1,000 pupils.

Total additions under priority two program will be a capacity of 9,400 pupils, thereby raising the total capacity of all junior high schools to 25,830 pupils.

The estimated permanent level of enrollment, according to the Engelhardt report, is 19,000 pupils. Dr. Engelhardt anticipates further abandonment of existing schools to reduce pupil capacity.

Senior High Schools:

The total optimum capacity of existing buildings is 15,270, according to the Engelhardt report, and enrollment on October 31, 1947 was 12,393 pupils. The low estimate, the report states, is 10,012 pupils in 1954-55 and 22,611 in 1962-63. The September 1946 school building report of the City Planning and School Staffs, made at the request of the Board of Education, stated that the present total capacity of senior high schools is 22,838 based on the "seating capacity of classrooms."

The estimated cost of priority one construction is given as \$13,825,000 in the Engelhardt report. The report fails to give a breakdown of this cost estimate.

The report proposes to provide high schools to serve their own communities in place of the present practice, wherein each high school draws pupils from many sections of the city. The report recommends conversion of three existing senior high schools to other uses. The Girls high and Lowell will be turned into junior high schools and the High School of Commerce is expected to become a center for "post-high school work in trade and distributive education."

Three new senior high schools and an addition have been recommended under priority one with a capacity of 4,450 pupils.

The net result, after three new high schools, recommended for priority two program (not included in \$13,825,000 priority one cost estimate) with a capacity of 6,300 pupils, will be a capacity of 21,670 pupils. The "low" estimate of enrollment in 1962 is given as 22,611 pupils. The estimate indicates a high school population of 14,000 in 1966. Further abandonments are anticipated to account for the gap between enrollment and capacity, according to Dr. Engelhardt.

Rehabilitation, City College, Vocational and Special Education Program:

The Engelhardt report provides recommendations for an estimated expenditure of \$8,000,000 on the City College (junior college)—\$3,000,000 for vocational and special education units, \$3,000,000 for a school service center building and site, \$4,500,000 for an administration building and site (reportedly excluded from the bond program), \$7,100,000 for equipment, and \$10,000,000 for rehabilitation of the existing school buildings to be retained in the program. The volumes of the report said to cover this part of the program are not available to date, being part of the six volumes yet to be made public.

In connection with rehabilitation of buildings to be retained in the program, it is stated that "the Survey Report includes no specific allocations for the expenditure of the proposed \$10,000,000 modernization fund." Costs of the program can be roughly estimated, the report states, but allocations must await architects' plans. Lacking details of this phase of the program, an explanation or analysis naturally is omitted.

The report of the Physical Properties Committee of the Board of Education, who made a survey of the school system requirements with technical assistance from school and City Planning Staffs, reported in July 1947 that \$4,400,000 was needed for a "modernization program." Details were not available.

The report indicates Volume VI will treat specifically of the building needs of the City College, Vocational Education, Adult and Special Education. As this is one of the volumes that has not been released to the public up to the time this review was completed no comments are possible on the details of this part of the program.

Conclusion

The necessity for a school building program is accepted, as well as recognition of the responsibility to provide school facilities for every child requiring admittance to the public school system.

Proposition No. 10

Sewage Treatment Bonds—1948

A Bond issue of \$15,000,000 proposes to complete the financing of sewage disposal facilities in compliance with a State Health Board Act of 1946 revoking permits allowing raw sewage to be dumped into State waters and to

make up a deficiency in 1944 Bond issue estimates caused by an increase in construction costs. The estimated cost of the completed program for sewage treatment facilities, main sewers and appurtenances to provide complete sewage facilities is \$39,850,000.

As originally planned, this program contemplated construction over a 25 year period at an estimated cost of \$30,000,000. Finances provided to date total \$23,659,775 from the \$12,000,000 1944 sewer bond issue, tax funds and \$7,974,000 anticipated from State funds. Revised estimates of cost indicate that the original estimates must be revised upwards approximately 35 per cent on future estimated sewer construction work. The balance required to complete the program is \$15,000,000.

The Controller has estimated the total cost of this bond issue at \$19,209,775, which includes \$4,209,775 for interest and \$15,000,000 for redemption.

Plans prepared by the Department of Public Works under the supervision of consulting engineers call for construction of two sewage treatment plants. The plans called for the construction of the North Point Plant, the larger of the two proposed, which will be located in the vicinity of the Embarcadero near Bay and Kearny streets. The smaller plant is planned to serve the southeasterly section of the city and will be located in the Islais Creek area in the vicinity of Quint and Jerrold streets. It will be necessary to construct a six miles long pipeline between the North Point plant and Islais Creek. In the southeast district it will be necessary to construct a number of new intercepting sewers and probably several pumping plants in order to collect and to convey raw sewage to the treatment plant. The sludge will be disposed of by treatment in large digestion tanks which will convert it into gas and fertilizer. Approximately 65 tons is anticipated as the daily production which will be sold for agricultural purposes. The effluence after chlorination can be safely discharged into the bay waters. The necessity for the six mile pipeline connection between the two plants is that the sludge treatment and drying facilities require considerable area and it was necessary to utilize the Islais Creek District as the logical site.

The State Department of Public Health adopted a resolution in 1946 which revoked all permits for the discharge of raw sewage at the end of 1947. In a letter to the Board of Supervisors dated March 26, 1948 the State Department of Health called upon the Supervisors to present to the Health Department a program for financing and construction of sewage treatment facilities to serve the entire City of San Francisco. The letter concluded as follows: "As you were advised in our letter of January 26th, unless such a program is presented promptly, it will be necessary for the Board (State Board of Health) to institute action."

U. S. POSTAGE

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Permit No. 879

Mr. Joseph J. Allen, Secy.
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Civic Center
San Francisco 2, Calif.

THE CITY, MAY 24, 1948

Under State law the penalty for emptying raw sewage into waters under State jurisdiction without a permit is a \$1,000 fine for violation with each day considered a new offense. In Los Angeles the State brought the issue of constructing a sewage treatment plant into court and obtained an order for the city to build the new facilities. The court decision was upheld when smaller cities in the area appealed and they were directed either to build their own plants or contribute to the construction of the Los Angeles plant which they could then use.

The State probably has the power to order the Board of Supervisors to provide the money for the sewage treatment facilities by including appropriations in the annual budget, if the bond issue fails, or demand re-submission at another election.

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No. 2

November 2nd, 1948

Ballot Propositions

\$81,440,000 San Francisco Bond Proposals

8 San Francisco Charter Amendments

19 State Measures Including 8 Initiatives

Issued by the

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SAN FRANCISCO PROPOSITIONS

BOND ISSUE PROPOSALS

- A. School Bonds, \$48,890,000.
- B. Airport Bonds, \$8,600,000.
- C. Hall of Justice Bonds, \$6,000,000.
- D. Butano Forest Bonds, \$250,000.
- E. Library Bonds, \$2,700,000.
- F. Convention Center Bonds, \$15,000,000.

CHARTER AMENDMENTS

- G. Annual Vacation of Employees.
- H. Sale of Park Lands.
- I. Municipal Court.
- J. Receipt, Custody and Deposit of Funds, Investment of Trust Funds.
- K. Suspension and Removal.
- L. Superior Court Appointments.
- M. Bureau of Traffic Engineering, Police Department.
- N. Police and Fire Pensions.

STATE PROPOSITIONS

- 1. Veterans' Tax Exemption.
- 2. Local Control and Enforcement of Intoxicating Liquors. Initiative.
- 3. Railroad Brakemen. Initiative.
- 4. Aged and Blind Aid. Initiative.
- 5. Compensation of Legislators.
- 6. Regulation of Commercial Fishing. Initiative.
- 7. Residence of Voters.
- 8. Superior Judges, Vacancies.
- 9. Succession to Governorship.
- 10. Initiatives.
- 11. Municipal Charters.
- 12. Local Control of Intoxicating Liquors. Initiative.
- 13. Senate Reapportionment. Initiative.
- 14. Housing. Initiative.
- 15. Fish Nets. Initiative.
- 16. Chiropractors.
- 17. State Civil Service Exemptions.
- 18. State Payment of Tax Exemption Losses.
- 19. Fish and Game Commission.

SAN FRANCISCO PROPOSITIONS

Proposition A School Bonds, 1948

Summary:

The \$48,890,000 school building bond issue will meet school building requirements for the next half dozen years (longer, if costs have passed their peak and recede); will provide funds for the essential needs of the department for elementary schools, without frills and without abandoning existing plant or educational program unnecessarily; and, in accord with Board of Education promises, will not absorb an unnecessary amount of the remaining land available for building in San Francisco and will require removal of a minimum number of homes to provide sites.

The proposition now on the ballot has met the Bureau of Governmental Research's principal criticisms raised in connection with the previous ballot proposal and certain conclusions of the Engelhardt report.

In the analysis and report concerning the June bond proposition, the Bureau stated that the necessity for a school building program was not questioned. This conclusion remains unchanged.

\$48,890,000 Bond Program:

The Board of Education proposed this \$48,890,000 bond issue for construction of 26 elementary school units including new schools, schools to replace unserviceable elementary schools and home school units, (to house 3 or 4 primary grades), rehabilitate and modernize existing school buildings, add classrooms to the junior (City) college, provide some funds for junior and senior high schools, and other improvements to the school plant. The proposition was placed on the ballot by the initiative to overcome legal restrictions relative to resubmission within six months. This current school building proposal is a substantial reduction from the \$87,000,000 placed on the June 1st ballot for approval.

The Board of Education adopted a statement of policy along with the resolution for submission of a bond issue of \$48,890,000, which said that in the Board's judgment this amount and the funds anticipated from the sale of school property no longer needed for school purposes, will provide the funds necessary to meet the most pressing needs for a period of five years. The Board stated, that this "period of time will encompass the present term of office of the majority of the Board. Because conditions might change during the years beyond the period of time mentioned above, this Board cannot detail specific needs of later years. Whatever Board of Education is then serving will have to face such problems as they arise upon the basis of a careful restudy and re-evaluation of conditions as they exist at that time."

Other changes incorporated in the present school building program which have met objections raised by the Bureau of Governmental Research and others in connection with the previous bond issues, include a statement of policy relative to the size of school sites for the prospective building program. The report of the Superintendent of schools states that prior to the final purchase of school sites, it is the intention of the Board of Education to re-evaluate site needs by an on-the-spot inspection of each proposed site. Due consideration will be given to the land requirement of the city as a whole according to this statement. The report of Dr. Engelhardt, who was retained by the Board of Education to make a survey of the San Francisco school plant, recommended standards for school sites involving five acres for elementary schools, 15 acres for junior high and 25 acres for senior high schools.

The Board of Education assures the citizens that it is their plan to provide adequate, safe and sanitary school buildings without frills and that every effort possible will be made to erect schools at a minimum cost and thus assure the citizens that the most possible is being secured from the funds expended.

Details of Proposed Bond Issue:

The proposed \$48,890,000 school bond issue is divided among the following principal divisions of construction:

Additions to present elementary schools and the construction of new elementary schools and home school units involving 26 schools.....	\$26,000,000
Additions to and construction of four junior high schools	6,500,000
Additions to two senior high schools.....	3,250,000
Additions to City college.....	2,000,000
Vocational Educational Units.....	1,500,000
School Service Warehouse Building.....	1,500,000
Rehabilitation and modernization of existing schools	5,000,000
Equipment	3,140,000

The Board of Education has submitted a list of elementary schools, junior high schools, and senior high schools in the order of priority of construction as the Board now sees it. It is stated that before plans are made or construction started on a school the necessity for the school and the prospective location will be restudied and evaluated. The Board states changing conditions will be given due consideration and the program revised accordingly.

Junior and Senior High Schools:

The Superintendent of schools states that the overcrowded situation in the elementary schools, which encroach upon space in junior high schools, will be relieved by the junior high schools. For this reason the following new schools

and additions to existing junior high schools are proposed. The program includes conversion of Girls High School to a coeducational junior high school. A complete school unit is planned for the Sunset Community Center; partial schools for Sunnydale and another at Santiago at 14th Avenue with classroom units to be built first.

Abraham Lincoln high school, which has never been completed, is inadequate to meet the needs of the district it serves, according to the Superintendent's report. Funds will be provided to complete this school and George Washington high school by building the music unit and grading the balance of the grounds so that they will be available for student use.

The program involves an estimated expenditure of \$6,500,000 for additions to and construction of four junior high schools as previously stated. It also provides an estimated \$3,250,000 for additions to senior high schools also mentioned in the foregoing. It is the Superintendent's opinion that San Francisco will have to decide whether or not it intends to allow students to go as they wish all over the city to different high schools as they do at present, or to develop a system of regional high schools. The regional plan is a part of the Engelhardt program. This is a matter which the community must decide, according to the Superintendent, since it must bear the ultimate cost. The cost of replanning the high school system from city-wide to regional is considerably more than the cost to provide space within the existing plan.

The Superintendent stated on July 31 in a letter to the San Francisco Municipal Conference "that the city will be confronted, he believes, with the necessity in later years of providing some junior and senior high school accommodations in areas where new population has located." The Superintendent concluded that, "the matter of junior and senior high schools, however, is not of great moment in the proposed bond issue and can be faced if and when conditions warrant it during later years."

Other School Facilities:

The proposed bond issue will provide funds in the amount of \$1,500,000 for a school service warehouse building. It is the Superintendent's opinion that the present buildings used for school service units and warehouses are inadequate and inefficient. He states that the growth of the school system will aggravate this situation and that it will be essential to have a building enabling the school department to handle school supplies more efficiently and make repair to furniture promptly, thereby decreasing the necessity for replacement of furniture which can be repaired. The program, as set up by the Board of Education, provides \$1,500,000 for vocational educational facilities, which will complete the former Ford building at 21st and Harrison Streets for vocational training. The bond program includes \$2,000,000 for additions to City college (junior college), which will be used to provide classroom units. Equip-

ment will be purchased for the new school out of an estimated \$3,140,000 set up for that purpose. This is estimated on the basis of eight per cent of the amount to be expended for new school facilities.

Rehabilitation and Modernization:

Rehabilitation and modernization of many existing schools, which will be retained in the system, is estimated to cost \$5,000,000. In the June first bond issue proposition \$10,000,000 was the amount provided for this purpose. The rehabilitation program is based on work performed cooperatively by the division of physical properties of the school department and the San Francisco building survey staff. A detailed list of work to be performed has been submitted with priority given safety and health requirements in the modernization program. Additional classrooms will be provided for ten elementary schools, classrooms will be modernized in fourteen schools, cafeterias or luncheon rooms added, and additions or improvements will be carried out in forty-one elementary schools. Clinics will be added to five schools. Playground additions and improvements at 53 schools and scores of other minor and major repairs to and reconstruction of plumbing, lighting, boiler and heating equipment and other parts of structures.

Enrollment Problem:

The San Francisco school department is confronted with an increasing enrollment in the schools, due to an increased birthrate and an increase in the population. The effect of these factors has been estimated by Dr. Engelhardt in his report on the San Francisco school department. The report anticipated that kindergarten and elementary school enrollment will rise from 38,785 in 1947-48 to a peak of 68,920 in the school year 1954-55. The enrollment is expected to decline thereafter to an approximate stabilized level of 46,000 by 1961-62. Thus the net increase in 14 years will be 7,500.

The enrollment in junior high schools, which was 13,602 in 1947-48, is estimated will increase as the crest of the wave of increased enrollment passes through the elementary schools and into the junior high schools. The high point of junior high enrollment is anticipated approximately six years after the peak enrollment estimated for elementary schools. Dr. Engelhardt's estimate indicated that the high point of enrollment in junior high schools will be reached in 1960-61 at approximately 32,000 and will decline from that point to a stabilized level at approximately 19,000 commencing in 1964-65. Senior high school enrollment was 11,933 for the school year 1947-48. As the increased enrollment passes through the junior high schools it is expected that the high point in high school enrollment is expected in 1962-63. The high point in enrollment is estimated at 25,000 in that school year. Thereafter a decline is expected to set in and subside to a stable level of approximately 15,000 by 1967.

Following are the enrollments by school level for 1947-48 (May-June), 1948-49 (September 21), exclusive of continuation and special classes and the Engelhardt enrollment estimates for 1948-49:

	1947-48	1948-49	<i>Engelhardt report estimated 1948-49 enrollment</i>
Kindergarten, grades 1 through 6..	38,785	39,233	42,003
Grades 7 through 9.....	13,602	13,980	13,325
Grades 10 through 12.....	11,933	12,602	12,168
	<hr/> 64,320	<hr/> 65,815	<hr/> 67,496

Proposition B

Airport Bonds, 1948

The San Francisco Public Utilities Commission has proposed this \$8,600,000 bond issue for the purpose of completing expansion and improvement of the San Francisco airport in San Mateo county in accord with existing plans. The construction program, when completed, will provide San Francisco with one of the most modern international air terminals with facilities, which the Commission believes will equal the best to be found anywhere.

The current expansion and construction program was financed out of a \$20,000,000 bond issue approved by the San Francisco voters in November, 1945. The 1945 bond issue was expected to be sufficient, at that time, to complete plans based upon flying conditions anticipated in the immediate post-war period. Advancements in civil aeronautics have been made as a result of war experience, which required readjustment of the former plans in accord with present requirements, in order to maintain this city's position of leadership in international air commerce.

The necessity for this bond issue can be summarized as follows: (1) Development of new devices and equipment, which is mandatory for any airport proposing to operate 24 hours daily and 365 days per year. (2) Advancement in or higher standards of airport design, including increased length of runways and increased pavement thickness. (3) An unprecedented and unforeseen expansion in airport business during the past two years, which required additional expenditures to meet this new business. (4) The Public Utilities Commission was confronted with the common problem of higher construction costs, which affected preceding bond issue estimates.

Additional requirements of the Civil Aeronautics Administration included additional runway length and width since 1944, when the longest runway required for a first-class airport was 7,750 feet in length and 150 feet in width. Current requirements necessary to qualify for "an international express" class

of airport provide that the main take-off runway must be 9,050 feet long and 200 feet wide. The CAA requires an increased thickness of the concrete and asphalt pavement used. The amount varies from one to three inches additional thickness. For example, standards in 1944 required a concrete pavement of 10 inches for runways, in 1948 13 inches is required for runways in the case of concrete pavement. Taxiways and runway ends constructed of concrete in 1944 were required to be 11 inches in thickness, in 1948 taxiways, runway ends and runways are all required to be 13 inches in thickness.

Proposition C **Hall of Justice Bonds, 1948**

This proposed bond issue of \$6,000,000 would provide funds for the construction of an annex to the existing Hall of Justice and reconstruction of the present building. The intended site of the proposed building is adjacent to the present Hall of Justice across Merchant Street with a frontage of 108.9 feet on Kearny Street and 221 feet in depth between Merchant and Clay Streets.

Tentative plans call for the construction of a seven-story building (with a half story on the roof) the same height as the present Hall of Justice of five-stories. The present building occupies a site of 22,000 square feet. The proposed structure would occupy a 24,000 square foot plot. The first or main floor would be occupied by the traffic fines bureau, which would be transferred from the City Hall, and traffic courtroom also located in City Hall. The second floor would be occupied by the traffic bureau. The third floor would provide offices for police administration, the Chief and the Commission. The fourth and fifth floors would provide offices for the Bureau of Inspectors and various details. The prison would be on the sixth and seventh floors; the top or eighth floor (the building to be actually seven and a half floors) would house the criminologist and necessary scientific equipment now largely contained in the penthouse structure of the Hall of Justice. The first floor of the present building would be occupied by a superior court room and related quarters, property bureau, the public defender and adult probation department. The second floor would contain four municipal court rooms and quarters. The third floor, now occupied by three superior court rooms, will have enlarged quarters for these three superior courts. The fourth floor is largely occupied by the overflow from the three superior courts on the third floor. It is proposed to leave the one superior court and the balance of the space to be assigned to the District Attorney and court reporters. The fifth floor, which is now the city prison, would be remodeled and assigned to the District Attorney. The penthouse quarters, now occupied by finger-printing, photographic and other equipment, would be turned over to the District Attorney for files and record rooms.

The two buildings would be connected by bridges across Merchant Street. The new building would provide garage repair facilities for police cars, now handled at the Purchasing Department shops. The present heating plant in the Hall of Justice is considered capable of supplying heat to the new building, as well as the present one, by tunnel connections under the Street. Architectural cost estimates indicate that \$1,000,000 will be required for alterations to the present Hall of Justice building and that \$4,000,000 will be necessary to construct the new building. It will be class "A" construction and somewhat similar in appearance to the present structure. It is impossible and uneconomic from the standpoint of functional design to attempt to duplicate the present structure. It would not be efficient as an office building. The estimated cost per foot is said to be approximately \$20.00.

The cost of the site is variously estimated at between \$350,000 and \$400,000 or approximately \$14 to \$17 per square foot, including existing improvements on the site.

The proposed new building would eliminate the necessity to pay \$30,000 annual rental for space for the District Attorney, would centralize the Municipal organizations concerned with traffic and would provide needed office space for the police department. The jail on the top floor of the Hall of Justice was designed for 184 beds. The daily average prison population is 205, according to police department spokesmen. Space for files also is needed.

A survey to determine accurately the requirements of existing Hall of Justice personnel and the amount of additional space needed adequately to meet the situation has not been carried out as far as can be ascertained. The proposed construction will more than double existing facilities and space. Whether this is too much or too little is impossible to tell from the sketchy character of the data the Bureau was able to obtain. This is a desirable project, and in some respects can be considered essential. However, it too, is affected by the high cost of construction, shortage of vital materials, and competition with essential public works and private housing projects for scarce materials and labor. Lack of vital information and detailed figures concerning the overall city government housing program, however, is a fundamental weakness of this proposal.

Proposition D

Butano Forest Bonds, 1948

This bond issue of \$250,000 has been placed on the ballot for the purpose of providing funds for San Francisco's contribution towards the purchase of a redwood forest in San Mateo County known as Butano forest, to be turned into a state park for recreational use by the citizens of San Francisco and others who may desire to make use of the park. Butano redwood forest is the last stand of redwood trees of any consequence south of San Francisco bay.

It would be developed by the State of California and the cost of operating the park also would be paid by the State. The only additional cost to San Francisco is \$2,500 total interest cost, as estimated by the city and county controller. It would provide camping and picnicking facilities about 35 miles south of San Francisco; fishing and swimming in the streams; and wilderness trails for hiking and horseback riding. These outdoor activities are relatively close to San Francisco and in an ideal setting, which should provide an economical vacation for people of small means.

There are 4,711 acres containing 247,000,000 board feet of lumber with an estimated total cost of \$1,200,000. Towards the payment of this sum the state park commission has allocated \$600,000 which will be made available on a matching basis if and when the counties raise their share. As stated, San Francisco city and county's share is \$250,000. Alameda county will be expected to put up \$100,000, San Mateo and Santa Cruz counties, \$50,000. San Mateo county will also turn over to the state memorial park property valued at \$300,000 and Santa Clara county will turn over the Mount Madonna park property valued at \$100,000. It is also understood that if necessary the state's total allotment may be increased to \$800,000.

Unless the property is acquired soon, there is a strong likelihood that lumbering operations will commence in the spring of 1949. Unless cash contributions of at least \$350,000 have been advanced, it is believed that the state commission will not commence condemnation proceedings to acquire the property. Butano Forest Association believes that San Francisco is the key to obtaining financial appropriations from the other counties. The loss of this redwood stand would be irreplaceable.

Proposition E

Library Bonds—\$2,700,000

Eighteen branch libraries, a new wing on the main library and improvement of old branches are planned with the funds that would be made available by the passage of this bond issue. According to the City Librarian this would be the first library construction since the 1930's when WPA buildings were completed and would meet the city's library building requirements within the foreseeable future.

The branches which are proposed would be so located as to serve nine districts where there are no libraries and to replace nine small libraries which are housed in rented quarters. The large branches which are planned would have 12,000 to 15,000 volumes and serve some 20,000 to 30,000 persons living within $\frac{3}{4}$ mile to one mile. Nine small branch libraries holding 6,000 to 7,000 volumes would serve a population of 10,000 to 15,000 persons within $\frac{3}{4}$ mile to one mile. The City Librarian states that completion of the new buildings

would make San Francisco compare favorably with other large cities with respect to population per branch library.

The main library was built in 1917 and would have a wing added by this program at a cost of \$1,025,000. Older branches would be equipped with new lighting.

The total cost of the proposed bond issue would be \$3,561,612 including interest. Operating costs for additional personnel, furniture, books, etc., would be increased by \$95,000 the first year, \$182,400 the second year, \$124,800 the third year, \$228,500 the fourth year, \$247,200 the fifth year and \$213,900 the sixth year and annually thereafter.

The branch library construction program is the type of financing which could very properly be scheduled on a pay-as-you-go basis in annual budgets, as it consists of 18 small items, each complete in itself, thereby saving \$861,612 in interest payments as estimated by the City Controller. Such a program would require a longer period for completion, but districts without branches could be given first consideration.

Public Library Bond Issue Program

Branch	Location	Approximate Cost
Richmond-Presidio	24th Avenue and California.....	\$150,000
Marina	Chestnut & Fillmore Streets.....	150,000
North Beach	Columbus Square.....	150,000
Alamo	Near Alamo Square.....	150,000
Excelsior	Ocean Avenue and Mission Street.....	125,000
Ingleside	Plymouth & Ocean Avenue.....	125,000
Park-Merced	19th Avenue and Holloway Street.....	150,000
Sunset Community Center.....	37th Avenue and Ortega Street.....	150,000
Western Addition.....	Pine and Webster Streets.....	150,000
Potrero	20th and Connecticut Streets.....	50,000
Glen Park	Bosworth and Diamond Streets.....	75,000
Bay View.....	Third and Williams Streets.....	75,000
Portola	San Bruno and Silver Avenue.....	75,000
Visitation Valley.....	Leland near Bayshore Blvd.....	75,000
Crocker-Amazon.....	Geneva Avenue and Paris Street.....	75,000
Ocean View.....	Broad and Plymouth Avenue.....	75,000
Sunnyside	Monterey Blvd. and Foerester.....	75,000
Parkside	McCoppin Square	150,000
Main Library Wing.....	Civic Center	1,025,000
		<hr/>
		\$3,050,000
Amount on hand.....		350,000*
		<hr/>
Balance requested in Bond Issue.....		\$2,700,000

*This amount includes \$20,000 for plans.

Proposition F

Convention Center Bonds, 1948

The proceeds of the sale of this \$15,000,000 bond issue would be used to provide funds for the construction of a convention center building with an

estimated 200,000 square feet of ground floor space, an arena or auditorium seating 20,000 on the second floor, two halls of 3,000 seating capacity, two halls of 1,500 capacity, six halls seating 800, ten halls seating 300, twenty-one halls seating 200 and facilities for large banquets.

The present civic auditorium has a main floor 187 x 200 at the street level, and has seated 10,500 persons. Polk and Larkin halls flanking the main arena have a seating capacity of 1,000 each. Total ground floor space is 70,000 feet with 22,000 square feet of exhibit or storage space in the basement.

Estimates of the cost to operate and maintain this new convention center project include an interest cost estimated by the controller amounting to \$4,786,739 over the life of the bonds. The convention and tourist bureau estimates the cost to operate and maintain the proposed center at twice the amount of the present civic auditorium. This would result in an annual cost of \$180,000. Interest at two and a half per cent (\$750,000 yearly retirement) amounts to \$196,875. Revenues are estimated on a 180 day use basis for all units of the proposed convention center. On this basis the Tourist Bureau estimates annual revenue will amount to \$838,000. The Tourist Bureau's estimates of operating and maintenance costs are out of line with the size of the two establishments. The proposed convention center would be several times the size of the present auditorium with its two small halls and the main arena. The use of all facilities at an average rate of 50 per cent yearly is unrealistic and unlikely to be realized in the case of such a big establishment. If it is achieved it is likely that business will be taken away from existing accommodations.

The Convention and Tourist Bureau predicates the \$15,000,000 expenditure on the primary requirement that the city has no accommodations for state and national conventions from 1,200 up to 8,500, the capacity of the civic auditorium. They have been using the High School of Commerce auditorium in the summer months, but this may be lost, they say, due to necessity for maintenance and repairs during that period. Loss of the opera house and war memorial building for convention use has brought on the present situation, according to Tourist and Convention Bureau spokesmen. These buildings were removed from convention use, due to rough usage received during conventions, it is claimed. Small conventions can be accommodated by the big hotels.

In the case of the extra large conventions, some with large exhibits, such as the road machinery and food groups, this city is in competition with a minimum of four or five cities. These are, St. Louis, Atlantic City, Cleveland and Kansas City. Chicago and New York are not to be counted out. Miami is said to be building a large convention center. The larger exhibit-conventions are lost to the city for lack of exhibit space, the spokesmen for the Convention

Bureau say. Of the larger type the Tourist and Convention Bureau spokesmen claim there are about 35 to 75 which reasonably could be expected once every five years.

The manager of the Tourist and Convention Bureau claims that the present auditorium was outmoded 20 years ago; that there is a lack of medium sized halls seating from 1,200 to 3,500 the average convention size, that banquets for more than 1,000 cannot be held in San Francisco, thus ruling out some conventions; that out of 35 to 75 of the mammoth conventions, many are lost to this city on an average of once every five (or 10) years; and that \$15,000,000 is proposed primarily to meet a shortage in medium sized halls for the average convention and secondarily to provide exhibit space for the extra large convention.

The problem is complicated by the lack of hotel space during the summer months when most of the conventions wish to come here. This trend clashes with the tourist trade, which fills the hotels at that time.

The large class "A" hotels are filled most of the year at present. However, it is reported that space is available in the class "B" and "C" hotels.

The use of the present auditorium for purposes other than conventions interferes with its use by conventions, according to Convention Bureau spokesmen. Consideration should be given to greater use of the auditorium for convention purposes, even though the revenue is somewhat less. The school department and the Red Cross now are housed in the auditorium. If the space now occupied were remodeled for convention purposes, it might be of assistance, especially if the policy relative to use of the opera house and war memorial building also should be reviewed and inconveniences and higher maintenance costs weighed against loss of conventions or the expenditure of \$15,000,000 entailing high operating and debt service charges. This is a problem to be settled by city officials, as these buildings are the property of the city and county.

The present high level of construction costs, shortages of steel and other material, should be taken into consideration in plans for major construction at this time. With construction costs at an all-time high, competition of the city with private industry and essential requirements of public jurisdictions, such as sewers, sewage disposal plants, schools, etc., for materials and labor becomes a factor of some importance. Desirable, but not necessarily essential, projects should be deferred until the future price-material situation clarifies. The proposition can be classed as desirable, but not essential at the present time.

Proposition G

Annual Vacation of Employees

This amendment would provide an annual vacation of three calendar

weeks for all city employees after five years' service. Currently the annual vacation allowance is two weeks after completion of one year's employment. The liberalization proposal is sponsored by municipal employee groups organized into a Municipal Improvement League.

The cost of the amendment has been estimated by the controller at \$225,457 per year for hiring replacements only. Of this amount \$193,049 would be from taxes and \$32,408 from utility revenues. He has not estimated the payroll cost to the city for additional time spent on vacation. The Civil Service Commission reported that in the current year it cost the city \$419,000 to replace employees on vacation and that the payroll cost for city employees on two weeks vacation was nearly \$2,000,000. All large city departments have advised the Civil Service Commission that the amendment would require additional financing for temporary replacements or additional permanent personnel.

Vacation allowances in eight other public jurisdictions, as reported by the Civil Service Commission, are as follows: two (Los Angeles county, East Bay Utility District) allowed two weeks; two (Alameda county, Oakland) granted fifteen calendar days; two (Los Angeles schools, State of California) had fifteen working days; one (Federal government) gave twenty-six working days; and two (Los Angeles City, L. A. Water and Power) had ten working days after one year, fifteen working days after fifteen years and twenty days after twenty-two years. The last is the result of a recent change by the City of Los Angeles, which also provides (with Los Angeles County) that a holiday occurring during a vacation is not considered a working day.

In private employment the 1948 report of the Employers Council, which presented data for 218 establishments in the Bay Area, indicated that the most common practice was to allow two weeks after one year's service. This was the practice in 163 of the firms with 26,100 employees. Ninety of the firms surveyed granted one week after the first six months. Sixty-two of the 218 establishments provided three weeks vacation after several years' service with fifteen years the most frequently required service period. Twenty-four firms with 13,562 employees allowed three weeks after fifteen years. Six companies having 760 employees granted three weeks vacation after five years' service. The conclusion drawn after a comparison with the 1947 vacation survey was that there has been no major change in the amount of paid vacations granted to office workers in this area. The four city newspapers are reported to allow office employees, editorial and business, three weeks vacation after three years.

The proposed amendment adds a new section to the charter rather than amending section 151 which now contains the vacation provision. It provides that employees under section 151.3 (daily wage and hourly employees) would receive the benefits of this proposal, two weeks after one year and three weeks

after five years. Certain of these daily wage employees have sued the city to obtain "fringe" benefits contained in their contracts, such as a night pay differential and holiday pay. The allowances under this amendment of two and three weeks vacation would be more liberal than that usually provided in union contracts and would grant several thousand employees, who asked for and secured adoption of section 151.3 provisions, the benefits of the proposed amendment, as well as the benefits of wage agreements between unions and employers which they now enjoy.

Proposition H

Sale of Park Lands

Passage of Proposition H would enable the city to sell or otherwise dispose of park land whenever such land is no longer needed for park or recreational purposes. This is a technical change to allow the department to dispose of land it determines to be surplus in the future.

The amendment provides that the discontinuance of the use of lands is not authorized by the measure where there was a local assessment based on benefits for acquisition. Provision is also made that state law shall govern the procedure of abandoning and disposing of park lands. Two state laws, the Municipal Park Abandonment Law and the Park Discontinuance Law, are involved. The first covers park land which has not been improved and used as a park which can be abandoned by the legislative body. The second concerns improved parks which may be discontinued by vote of the electorate.

Proposition I

Municipal Court

The Municipal Court is organized under the State Constitution and state law and is not subject to regulation by the charter. Deletions are made by this amendment of language in Section 53 concerning the organization of the court which might be in conflict with state law.

Proposition J

Receipt, Custody and Deposit of Funds, Investment of Trust Funds

A technical amendment of Section 82 of the charter concerning the treasurer's office. Deletes three paragraphs, adds a new paragraph providing that the deposit of public funds is governed by state law, and makes two minor changes in language.

Proposition K

Suspension and Removal

Municipal judges are deleted from the section of the charter dealing with suspension and removal of elective offices (Section 11). The judges' suspension and removal are matters covered by state law and are not subject to regulation by the charter. The state municipal court act provides for the filling by the governor of judicial vacancies following suspension or removal.

Proposition L

Superior Court Appointments

Unnecessary language concerning the organization of the Superior Court is removed by this revision of Section 56 and the fact that the powers and duties of the court are prescribed by state law is inserted. These matters are not subject to regulation by the charter.

Proposition M

Bureau of Traffic Engineering, Police Department

This charter amendment would reorganize the present police traffic bureau and line of command by creating the bureau of traffic engineering and administration "under the jurisdiction of the police commission." The chief of police would select a director of traffic to head the traffic bureau, from members of the department of the rank of lieutenant or higher. The powers of the traffic director "shall not modify to any extent" the powers and duties of any department or office, but shall be, first, for the purpose of "assisting the police commission in its regulation of traffic," and, second, for the purpose of "recommendation only," to other departments upon matters within their jurisdiction, affecting the regulation of traffic.

The effect of this amendment would be to leave matters pretty much as they are now as far as the different agencies with an interest in traffic matters are concerned, and would provide no real improvement. Police commission jurisdiction over the traffic bureau as proposed by this amendment would seriously disturb the organization and line of command within the police department by substituting a divided command for command by the chief. It is uncertain who will coordinate the work of the traffic bureau and the district captains and their traffic duties.

The proposed measure would create two new positions, that of chief of inspectors and director of traffic at annual salaries of \$8,940, equalling the salary now paid the deputy chief. The head of the bureau of inspectors would receive a salary boost from \$7,920 to \$8,940 and the traffic bureau head from \$6,540 to \$8,940. The captain of inspectors is designated as administrative assistant to the chief of inspectors. The captain of traffic, however,

is not specifically assigned to the proposed new bureau of traffic, which leaves the status of this position in doubt.

The proposed amendment states that to assist the director of traffic, an engineer shall be assigned by the chief administrative officer from the office of city engineer to the bureau of traffic in the police department, "and such other personnel shall be provided as may be necessary." The department of public works, bureau of engineering has a traffic engineering staff of 12. The control over boulevards, streets, street openings, widening, closing, etc., is assigned by charter to this department and a traffic engineering bureau necessarily must be continued. The proposed traffic engineering bureau in the police department would duplicate this organization.

Another questionable feature is the limitation in the proposal that the chief of inspectors must be selected from the ranks of a dozen civil service captains. The head of the bureau of inspectors at present may be selected from persons in the department holding the rank of lieutenant or higher, thus giving the chief of police a much wider choice, including eight lieutenants in the inspector's bureau, and 37 uniformed lieutenants. The chief of police now can select a captain to head the Bureau of Inspectors, if he believes the man is the best qualified for the job.

It is understood that the proponents of this measure support this limitation of the chief's power of selection of the head of the bureau of inspection from among the civil service captains on the grounds that the civil service captains resent having some junior officer promoted to a position of authority over them. The proposers of the measure contradict themselves, however, by leaving selection of the chief of the traffic bureau as at present, namely, from among members of the department of the rank of lieutenant or higher. It is an interesting fact that the charter permits the police commission to appoint as chief of police anyone qualified to fill the job.

Former Chief of Police, Michael Riordan, now practicing law, has expressed concern over the effects on the police department, if the measure is approved by the people. The former chief of police informed this Bureau that the new setup would encounter "insurmountable obstacles"; would interfere with the police chain of command; would cause useless duplication; and that under the divided control the possibility of confusion and disorganization existed, especially where traffic duties of the district precinct companies might overlap or come in contact with traffic bureau duties. The former Chief, a member of the department for 30 years, stated that engineering problems should be left with the City Engineer and he saw no reason for duplicating the traffic organization of this bureau in the police department.

Bruce Smith of the Institute of Public Administration, New York City, an outstanding police expert, who was retained to reorganize the San Fran-

cisco Police Department after the Atherton graft investigations in 1936-7, considers the move unsound. He states in a letter to this Bureau in reply to an inquiry, that the move to establish a Bureau of Traffic Engineering and Administration under the immediate jurisdiction of the police commission "to be thoroughly objectionable." It "will destroy unity of command" and will strongly tend towards the establishment of a separate police force charged solely with traffic duties, Mr. Smith states. Traffic law enforcement cannot be separated from general police administration without producing unnecessary and costly duplication or disorganization.

Proposition N

Police and Fire Pensions

Proposition N would add several sections to the charter liberalizing the retirement system provisions for members of the police and fire departments on a parity basis. The principal features of the measure affect fire department employees to a greater degree than the police, inasmuch as the police were successful in obtaining an improved retirement plan in 1944. Benefits granted policemen by the 1944 charter amendment that would be given firemen under this measure include thirty years' service for retirement at half pay regardless of age of the member of the system; twenty-five years' service at age 55 for half pay retirement; and a minimum retirement allowance of 33-1/3 per cent in case of disability not related to duty after 10 years' service. Fire department employees would contribute one-third of the cost, the city two-thirds, the same as the police members now are required to do. Firemen now contribute one-half the cost.

Both police and firemen would gain by provision for continuance of one-half of the pension to the widow, and seventy-five to ninety per cent pay for disability in line of duty. All of the other changes already are enjoyed by police personnel.

From study of the measure the basic provisions appeared clear, but the measure is in such detail, that several pages in the city charter may be required, and that minor errors or conflicts could exist without, however, materially affecting either the cost or the basic intentions of the proposal.

The present proposal represents a compromise, determined by the Board of Supervisors for reference to the electorate, between more liberal benefits sought by the employees and less liberal provisions and certain restrictions agreed to by the San Francisco Municipal Conference. The original employees' measure provided for 25 years service retirement and 20 years at age 55, for possible full pension continuance to widow, and a limit of 6 per cent on employee contributions. The Conference, representing large downtown taxpaying groups, and the Chamber of Commerce sought the 30 and 25

year service requirement, State Industrial Accident Commission approval of disability cases and continuance to widows on an optional basis at retirement with an actuarially reduced pension. The provisions outlined above, which are now before the voters in this amendment, were arrived at as a compromise by the supervisors.

A comparison with prevailing pension practices in other large cities throughout the country discloses that all the benefits contained in the amendment are enjoyed by firemen and policemen in more than one city. The summary table below indicates what San Francisco's rank would be if this amendment is adopted, using five principal changes as a basis of comparison. This comparison involves thirteen cities over 500,000 population throughout the country and the ten largest Pacific Coast cities. The table shows that, in the case of the most costly new feature, continuance to the widow of half pay, this city will rank seventh in the list of 13 cities of 500,000 population or over, and seventh in the list of 10 Pacific coast cities. This is practically the median of these two groups of cities. Thirty years' service retirement would rank this city 13th in the case of the 13 large cities and ninth in Pacific coast cities. The average ranking for all five proposed provisions is eighth in both groups, which is below the median.

The basis upon which the Conference and the Chamber asked a review of disability by the Industrial Accident Commission, which is considered to be better qualified than the Retirement Board composed of laymen, was the possibility of an increase in cases where there was difficulty of ascertaining whether the disability was service-connected or not.

The city and county controller, Harry Ross, reports the estimated annual cost of this measure as amounting to \$1,250,000.

Comparison of Proposed Police-Fire Pension Provisions With Current Practices in 13 Cities over 500,000 Population and 10 Pacific Coast Cities

	<i>San Francisco's Rank Among 14 Cities Over 500,000</i>	<i>San Francisco's Rank Among 11 Pacific Coast Cities</i>
1. Continuance of $\frac{1}{2}$ pension to widow and dependents.....	7th	7th
2. Reduction in years required for service retirement to 30 years.....	13th	9th
3. Half pay retirement at 55 with 25 years' service.....	10th	8th
4. Employees' contribution to be $\frac{1}{3}$ cost	11th	11th
5. 75-90% allowance for disability in line of duty.....	1st	1st

STATE PROPOSITIONS ON THE NOVEMBER 2, 1948 BALLOT

Proposition No. 1

Veterans' Tax Exemption

This proposal would amend Section 1 $\frac{1}{4}$ of Article XIII of the state constitution by making assessed value the basis of veterans' property tax exemption rather than value alone as the provision presently reads. At present the property of members of the armed forces and veterans is exempted to the value of \$1000, provided the applicant for exemption does not own property of the value of \$5000 or more. The amendment would revise each of these amounts of value (\$1000 and \$5000) to assessed value.

Current assessment practices in the counties with respect to this exemption are reported to vary. In most counties, including San Francisco, assessed value is now used for the \$1000 exemption. The revision of the \$5000 property limitation to an assessed value of \$5000 would be the significant change affected by the amendment, as miscellaneous property of veterans not subject to assessment would be removed from consideration. The probable effects would be to increase the number of exemptions and to reduce the administrative task of determining eligibility to a reference to properties of assessed value.

Exempting property from the tax assessment roll increases the burden upon the remaining property taxpayers. The amount of exempt property is \$39,458,000 in San Francisco, of which \$22,770,000 is owned by veterans. Add to this total the millions of dollars of assessed value of property owned by the Federal government and the State of California and \$50,000,000 in city-owned land and it is easily seen that further extensions of the tax exemption privilege should be considered in relation to the whole tax exemption and tax problem.

Proposition No. 2

Local Control and Enforcement of Intoxicating Liquors (Initiative)

This is an initiative constitutional amendment which would add Section 22 $\frac{3}{4}$ to Article XX of the state constitution providing minor changes in the existing liquor control act. It would among other things, allow local governing bodies to regulate lighting and sanitation in places selling liquor (on-sale), would permit unescorted women to be served liquor in on-sale premises only when seated at a table, would require apportionment of state liquor license fees to local governments, and would restrict the issuance of licenses for the

sale of liquors on a population basis. New licenses for both on-sale and off-sale premises would be restricted to one for each twenty-five hundred inhabitants. This measure is regulatory in nature and does not come within the province of this Bureau.

Proposition No. 3

Railroad Brakemen (Initiative)

This is an initiative measure which would add a section to the labor code granting the Public Utilities Commission power to prescribe the number of brakemen to be used on railroad trains. The measure is intended to prohibit feather-bed practices in employment of railroad brakemen on trains. The act would provide that the Public Utilities Commission of the state could require the railroads within the state to operate trains with such number of brakemen as are necessary "to promote the safety of its employees, passengers, and the public"; provided, however, that the Commission shall not require employment of such number of brakemen as would result in feather-bed practices. This is a regulatory measure and does not come within the Bureau's province.

Proposition No. 4

Aged and Blind Aid (Initiative)

This initiative constitutional amendment would add to the Constitution Article XXV, which is titled "Old Age Security and Security for the Blind Law"; would increase maximum aid to the aged from \$65 (new Federal act) to \$75 monthly and from \$80 (new) to \$85 monthly for blind persons; would change eligibility from 65 to 63 years of age for the aged and lower residence requirements; would increase income and property exemptions, and end financial responsibility of relatives; and would greatly increase the State's expense for aid to the blind and aged.

Probably the most fundamental revision proposed is the administration by the state of the aged and blind aid programs rather than county administered under state supervision. County financial participation in the cost of the programs would be discontinued and general policies would be formulated by an elected director in place of the social welfare board now appointed by the Governor.

The initiative would eliminate the responsibility of relatives to contribute to the support of the aged. Personal property limitations which are permissible are increased from \$600 to \$1500 and the types of property not considered as personal property within the limitation are broadened to include jewelry, motor vehicle and greater insurance allowances.

The cost increase could be substantial. Estimates prepared by the State Social Welfare Board indicate the possibility of an immediate increase of

125 million dollars next year and 235 millions per year within 12 years.

The fact that benefits are frozen in the Constitution at the proposed level is likely to cause financial difficulties during future fluctuations of the business cycle.

The security aid to the blind has drawn the opposition of organized blind individuals who consider the grant destructive to individual initiative. This group believes the character of aid the blind require is aid to opportunity for economic rehabilitation. Many of the blind are at active and productive age levels and can be self-supporting, so that they believe an aid program for the blind should not be tied in with aid to the aged, as this proposition proposes.

The election of a director of social welfare with power to appoint a board with advisory powers is a highly questionable form of organization for this kind of function. At present the board members and director are appointed by the governor and welfare qualifications are stipulated. An elective director would be able to determine policy independent of the governor, the finance department and the legislature. The person who would serve as director until 1951 is named in the measure. California stands to lose millions if this law fails to conform with the federal law, whereas the existing statutes do conform.

Proposition No. 5

State Legislators' Salaries

Members of the state legislature would be empowered to set their own salaries by law under the terms of this amendment. The present provisions of Section 23, Article IV were adopted in 1924 and established salaries of \$100 per month and a travel allowance of not more than five cents per mile.

The immediate effect of passage of this amendment would be to increase the salaries of assemblymen and senators to \$3,000 per annum in accord with a 1947 statute. This higher salary was fixed contingent upon approval by the electorate of the constitutional amendment.

On a comparative basis the \$3,000 annual salary would place California legislators on an equal basis with the highest paying state, Missouri, which provides \$6,000 biennially. It is reported that in New York, Illinois and Massachusetts a biennial salary of \$5,000 is paid.

Arguments presented in favor of adopting this measure include greater time now required with annual sessions and the possibility that with an increased compensation better qualified candidates would be attracted. It is argued by opponents that it is desirable to place a ceiling upon legislative salaries, or retain the principle of a fixed salary. Proponents contend that public opinion would act to keep the amount reasonable, just as it has with the Congress of the United States.

Proposition No. 6

Regulation of Commercial Fishing (Initiative)

This is an initiative measure which would amend the fish and game code by prohibiting the use of nets, traps, set lines or other appliances used in commercial fishing in San Francisco Bay and tributary and connecting bays and streams. The stated purpose of this measure is to establish these waters as a recreational fishing area. Exceptions are made of commercial fishing for crabs, clams and oysters, and certain other varieties. It is a regulatory measure which does not come within the province of this Bureau.

Proposition No. 7

Electors' Residence

This measure would amend Section 1 of Article II, which relates to the qualifications of voters, by requiring 54 days residence in the precinct in place of the current 40-day requirement. In a similar manner persons who move from a precinct within 54 days (in place of 40 days) prior to election day may vote in that precinct. The revision is a technical one with the purpose of providing more time for county election officials to meet established deadlines in mailing ballot material, etc.

Locally one effect of the amendment is expected to be a reduction in the overtime payments to employees in preparing for the election.

Proposition No. 8

Vacancies in Superior Court

An amendment of Section 8, Article 4 of the Constitution would provide that vacancies occurring in a general election year during the term of office of Superior Court judges shall be filled by election of a successor at the next general election. The change involved is a technical one which covers vacancies anytime during the year in place of the present provision of after April 1st. The governor appoints a judge to hold the vacant office until the term of the judge chosen at the second election commences.

Proposition No. 9

Order of Succession to Governorship

This measure is proposed to provide for contingencies which might arise in the filling of a vacancy of the office of governor such as have occurred in other states. No change is made in the order of succession; these remain Lieu-

tenant-Governor, the President Pro Tempore of the Senate, Speaker of the Assembly, Secretary of State, Attorney-General, Treasurer and Controller.

The changes that would be effected would be (1) if a governor-elect is unable to take office through death or other inability the lieutenant-governor elect succeeds to the governorship. In case of his inability to serve the last duly elected President Pro Tempore of the Senate succeeds.

In case of a vacancy in the office of Governor, the Lieutenant Governor is to become Governor instead of acting Governor and the President Pro Tempore of the Senate shall become Lieutenant-Governor for the residue of the term.

Adoption of this amendment would resolve the problems of succession in the event of the death of a governor-elect as occurred in Georgia, or the simultaneous death of both Governor and Lieutenant-Governor which occurred in Oregon.

Proposition No. 10

Initiatives—Limited to One Subject

This amendment adds Section 1C to Article IV of the Constitution and would limit to one subject constitutional amendments or statutes proposed by means of the initiative. The need for this limitation has arisen through the presentation of initiatives which would effect several amendments to the constitution on subjects not necessarily related. An outstanding example of such omnibus bills was the recent so-called "Bill of Rights," which covered so many subjects that the Supreme Court ruled it off the ballot as a revision of the Constitution rather than an amendment.

Proposition No. 11

City Charter Amendment and Boroughs

The amendment would make technical changes in the wording of Section 8 of Article XI of the constitution relating to the procedure for amending city charters and the creation of boroughs in chartered cities. A conflict has developed in two sections concerning the time intervals of advertising and submission of charters and charter amendments to be submitted either at special election or general or municipal election instead of forty to sixty days after publication as presently required. A Los Angeles deputy city attorney drafted the measure with the intent of allowing that city to vote on amendments in the regular city elections held in the spring in odd-numbered years. The measure also would permit the charter to establish a borough form of government in less than an entire municipality. This, as applied to Los Angeles, might be desirable in the establishment of boroughs in outlying communities without dividing the entire city into boroughs.

However, because of conflicts and ambiguities in the matter of time between advertising and submission, the League of California Cities requests that the measure be voted down.

Proposition No. 12

Local Control of Intoxicating Liquors (Initiative)

This is an initiative constitutional amendment which would add Section 22½ to Article XX of the state constitution, that would provide that no state licenses for the retail sale of liquors of all kinds whether for consumption on or off the premises were sold, shall not be valid until approved by the governing body of the city or county wherein such premises are located. The amendment would confer upon the governing body of each city and county and upon the voters of such jurisdiction the power to prohibit or to regulate the sale of intoxicating liquor within such city or county or any portion of such city or county. This would provide for the return of local option. As it is a measure to control and regulate the sale of liquor it does not come within the province of this Bureau.

Proposition No. 13

Senate Reapportionment (Initiative)

Briefly, this initiative measure would provide that counties shall be represented in the state senate in proportion to population, but no county shall have more than ten senators; would eliminate present provision that no county shall contain more than one senate district; would require 1949 Legislature to reapportion senate districts according to population shown by 1940 federal census, subsequent adjustments to be made following each decennial federal census; and would provide for election of all senators in 1950, one-half of senators to be elected every two years thereafter. Apportionment of both houses of the legislature on a population basis as proposed by this amendment would revise the present system under which the counties are limited to one senator and the assembly is the only body apportioned by population. One senator may not now represent more than three counties.

The principal effect of this measure would be to shift representation in the senate to the urban counties with large populations, which would then control both houses of the legislature through the number of seats they possessed. The assembly is now apportioned on a population basis and of eighty districts Los Angeles has 32, San Francisco 8, Alameda 6, San Diego 3 and two each in six other counties, which had metropolitan districts in 1940. Four counties, Los Angeles, San Francisco, Alameda and San Diego, under the terms of this measure, would control a majority of senate seats on the basis of the 1940 census.

Prior to 1926 the legislature was apportioned on a population basis with adjustment after each decennial census. Failure to agree on reapportionment after the 1920 census led to the submission and passage of an initiative which provided representation in the senate on a geographical basis. The result has been a balanced or "federal" legislature in which both urban and rural groups are represented in the state government.

Under this proposal Los Angeles county would qualify for the maximum of ten senators and the remaining 30 would be obtained by dividing the population in the remaining area of the state and obtaining a "factor" for determining the districts. On the basis of 1940 population, Los Angeles county would get 10 senators, San Francisco 5, Alameda 4 and San Diego 2, or a total of 21. Five other counties, Fresno, Orange, Sacramento, San Joaquin and Santa Clara, where there are large metropolitan centers, would each get one senator. The nine counties would control 26 out of a possible total of 40 senators the proposal would permit. It is unlikely that any county other than Los Angeles would qualify for the maximum number of senators within the foreseeable future.

Proponents of the measure have maintained that the present population and geographic basis of apportionment are unfair to large urban populations and that the senate has blocked beneficial social legislation. It is doubtful that this statement can be clearly substantiated. It was also stated that a substantial percentage of the population is now urban and that a small percentage of the population controls the senate. Labor union groups, which are concentrated in the major cities, are the principal supporters of the initiative measure.

The great metropolitan areas are adequately represented under the existing system. They control election of the majority in the assembly and various state officials, including the governor. The initiative and referendum gives large population centers added protection. The senate now is the rural districts' only safeguard.

Proposition No. 14

"Housing Amendment of 1948" (Initiative)

This initiative measure would create a state housing agency to provide financial assistance to local public housing authorities and non-profit housing associations. The agency would have what is designated as a State Housing Fund to administer consisting of first, a Housing Loan Fund of \$100,000,000, second, a Housing Assistance Fund with a maximum of \$25,000,000 per year for subventions to public housing developments and last, a Housing Administration Fund. The financial assistance from the assistance funds are expected to be used to make up anticipated deficits in low-rent units operated by the local housing authorities. Interest and redemption on the \$100,000,000 bond fund would be derived from state tax sources.

The agency would consist of five unsalaried commissioners appointed by the governor, a director appointed by the commission and a professional staff selected by the director. These positions and technical services contracted for would be exempt from civil service, all other personnel to be selected by civil service. Provision is made for an annual appropriation of \$750,000 for administrative expenses of the agency. This amount is not subject to review by the Legislature.

To a certain degree the housing commission might be expected to reflect the policies of the appointing governor. A new appointment to the commission is provided each year and members of the commission may be removed by the governor for inefficiency, neglect of duty or misconduct in office.

Spending possibilities by this housing agency, which are not subject to reduction by the Legislature for ten years, could reach a total cost of over \$357,500,000 in that period. This would result from issuance of the \$100,000,000 in bonds, expenditure of the \$25,000,000 assistance fund to a total of \$250,000,000 and \$7,500,000 for administrative costs. In addition, the interest on the bonds, which it is not possible to determine, would be paid. The amount of bonds which might be issued by local authorities, with payment of interest and principal guaranteed from the Housing Assistance Fund, is also impossible to ascertain in advance.

Although local housing authorities would not be exempt from property taxes the initiative provides that any public body may waive the taxes levied against an authority by action of its governing body, presumably the county supervisors or city council. A further tax provision of the act makes it possible for local taxes to be reduced by the amount of the payment from the state housing assistance fund, but not below the amount paid on the value of the property comprising the site at the time of its acquisition by the authority.

The proponents of this measure believe that this legislation is necessary to furnish suitable housing for low-income groups, who cannot afford either rental properties available or to establish sufficient credit to purchase a home at increased prices. This approach to the problem would attempt to ameliorate the conditions of these groups. Public housing must do the job, they contend, that private building cannot do. Proponents also believe that the financial aid provided may result in the construction of as many as 100,000 units of public housing over a ten year period. This is based upon an estimated cost of \$6,000 per unit with some \$600,000,000 in bonds being issued, \$100,000,000 by the state agency and the balance by local housing authorities. Under the terms of the measure San Francisco could expect to receive approximately 8,000 of these units based upon population. Temporary public housing throughout the state, totaling 78,000 units is scheduled to be torn down, under federal law, within the next two years.

Currently the Housing Authority of the city and county of San Francisco is operating 9,376 housing units in this city consisting of 1,741 units in five projects of permanent construction, 6,384 units of temporary war housing and 1,251 units of veterans' emergency housing. These three types of projects have an assessed value of \$3,138,323, \$4,778,277 and \$513,950 for a total of \$8,430,550. It has been the policy of the Authority to make annual payments to the city in lieu of taxes equal to the full property tax rate based upon these assessments. For a number of years additional permanent projects have been planned which have been impossible to build because of priorities during the war and high construction costs since the end of the war. Funds from the State Housing Agency proposed by the housing initiative might be used to build these projects, although the unit cost would probably exceed \$6,000 and fewer units could be completed.

Urban redevelopment could be assisted through passage of the measure, in that housing would be made available to persons displaced from the redevelopment site, a requirement of the State law before an urban redevelopment project can be started. Such persons are given a priority to housing constructed through financing by the state housing agency which would be created.

The scope of operation of the housing agency is defined broadly in the initiative act. Eligible persons are designated as those "lacking sufficient income to secure decent, safe and sanitary housing for himself or his family at rentals or prices currently available in substantial supply through private endeavor." What would constitute sufficient income, decent housing and substantial supply would be subject to interpretation by the commission. The agency would also be empowered to study the problems and effects of monopolies, extortionate, illegal or unfair practices, or practices affecting the cost of construction or production of buildings and cooperate with Federal and State investigating officials to end such abuses. The agency would have the power of eminent domain in acquiring real property.

The proposal has no specific limitation on the size of incomes permitted the occupants; does not place a limit on the rentals, either minimum or maximum; fails to provide for employment of certain personnel through state civil service channels, thus creating political-patronage possibilities. It provides for a ten year spending program, which is not subject to review by the governor, the legislature or any other agency regardless of the fact that conditions may change.

In view of the tax costs of the proposal the net effect appears to be that of transferring part of the cost of supplying housing, intended for low-income families and individuals, to the taxpayers. Experience with state taxes and local subvention propositions has demonstrated that San Francisco pays much more in taxes than the city receives in return in the form of subvention funds.

The ultimate cost to the taxpayers of the state is uncertain. Proponents admit the initial cost under this bill will be \$600,000,000 for constructing housing units. The cost for 10 years with \$25,000,000 subsidies and \$750,000 yearly administrative costs will amount to \$257,500,000 or a total outlay of \$857,500,000 exclusive of interest. This probably would be a minimum figure under the act. Opponents say the cost will exceed \$1,200,000,000. It is unlikely that first class housing in metropolitan areas, such as San Francisco, can be built for \$6,000 per unit under present conditions.

The ultimate cost is not in the terms of the bill, but is in the effect of the principle embodied in the bill. If the state embarks on a rent subsidy—low cost housing program, the taxpayers of the state should be prepared to face a possible investment several times the foregoing amounts for loans and subsidies. Once the principle of subsidization is established for a few people, the pressure from the public that could qualify, but cannot, because subsidized housing is not available, can be expected to lead to its extension. Experience with tax exemption and social legislation proves this to be the case. An example is the first step towards aid to the aged 20 years ago, which started with \$30 per month for those over 70 who had lived in California 15 years or more and whose responsible relatives could not support them. The first year's expense in San Francisco alone was a few hundred thousands; now it is a few millions and the requirements have been greatly liberalized.

The measure is not equitable, in that the money would be raised on a state-wide basis, whereas the housing problem is most critical in the larger municipalities and metropolitan areas. Low-cost housing is primarily a big city problem. Few, if any, housing authorities are functioning at present in small communities and rural areas, where individual homes are the rule. The bill is unlikely to prove of value to small communities in the farming regions. There are proportionately as many low-income families in rural communities as in metropolitan areas, who probably would not be reached under this bill. Being primarily a metropolitan problem, housing should be dealt with by each community.

This proposition would reverse the theory heretofore accepted, that "wealthy" communities should help to defray the cost of schools, etc. in so-called "poor" rural districts, by requiring the rural districts to help pay the cost of rent subsidies in the urban communities.

Proposition No. 15

Fish Nets (Initiative)

This is an initiative measure which would amend the fish and game code and would prohibit the use of purse nets and round haul nets for fishing in ocean and tide waters of the state south of a line extending due west from

point San Simeon in San Luis Obispo county. The proposed act states that it is an act to provide for the conservation of natural resources and prevent depletion of the present fish supply. It is a regulatory measure which does not come within the province of this Bureau.

Proposition No. 16

Chiropractors

This amendment of an initiative act approved November 7, 1922, known as the chiropractic law was adopted by the State Legislature and submitted to the people for ratification. The amendment would authorize the State Board of Chiropractic Examiners the right to approve or disapprove of chiropractic schools, prescribe requirements therefor, and determine the minimum requirements for chiropractic teaching. It would also require applicants and licensees in order to practice, to be graduates of approved schools and would increase the minimum chiropractic course from 18 to 36 months. It would authorize the board of chiropractic examiners to employ a secretary and other help. The Board's power to revoke or suspend licenses would be increased and it would bring disciplinary proceedings under the administrative procedure act. It is a regulatory measure which does not come within the province of this Bureau.

Proposition No. 17

Exemption from Civil Service

Additional exemptions from the state civil service system would be effected through approval of the amendment. The constitution at the present time exempts fourteen classes of employees (elective officers, legislative employees, employees of the governor, confidential positions, etc.) to which this measure would add:

- Section (15) Officers and employees of district agricultural associations employed less than six months in any one calendar year.
- Section (16) Stewards, judges and veterinarians of the California Horse Racing Board who are not employed on a full time basis.
- Section (17) Hide and brand inspectors employed by the Department of Agriculture.
- Section (18) Employees, not exceeding four in number, of the State Board of Equalization.

Positions of employees exempted by Sections 15 and 16 are those of state employees which are part-time or irregular and the administration and cost of qualifying them for civil service status is not practicable. The four non-civil service positions provided for the State Board of Equalization conforms with a practice of giving one confidential position to each state officer. In this

instance each member of the board with a district to administer would have one non-civil service appointee for the work of his district.

The exemption of hide and brand inspectors has the opposition of civil service supporters. The amendment would remove 138 inspectors of which 98 are full-time employees. The livestock industry favors the exemption, as they maintain they pay for the service with fees and should not have civil service restrictions interfering with the work.

The proposition has the additional provision that persons or groups added to the civil service cannot have exemptions from civil service revived covering their positions. This would be a protection to persons acquiring civil service status. The proposal has the support of the California Farm Bureau Federation.

Proposition No. 18

State to Reimburse Local Governments for Revenue Losses Due to Specified Tax Exemptions

Section 19 would be added to Article XIII of the Constitution by this amendment and would provide the local governments with state funds for revenue lost through veterans' and welfare property tax exemptions. These exemptions have been granted by constitutional amendments approved by the voters of the state and have had the effect of removing from the assessment rolls large amounts of personal and real property resulting in a tax loss to local governments. The exemptions originate with the State Legislature, but the state does not lose the revenue.

It is reported that in 1947 the welfare exemptions totaled over \$25,000,000 assessed value and the veterans' exemptions were more than \$284,000,000 in assessed valuation. The San Francisco assessor's preliminary report on 1948-49 assessments showed that there were \$39,458,000 in exempt property in this city, of which veteran exemptions represented \$22,770,000 and welfare, \$7,207,000. On the basis of the 1947 figures the estimated cost of the refunds involved in this proposal to the state treasury would be between 16 and 17 million dollars. The City and County of San Francisco could expect to receive 10 per cent of this total, or \$1,636,261 as estimated by the State Director of Finance.

Arguments opposed to the passage of the amendment include: the fact that the state cannot absorb more fixed charges (70 percent of state revenues now go for fixed charges); the audit of claims will require supervision of local assessors and possibly state regulation; if the money is raised by the state sales tax, the cost of such exemption would be placed on income groups who can least afford it; and that the measure is a raid on state funds.

There is the further possibility that by relieving local taxpayers of the

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burden it will make it easier in the future to pass further exemptions. Shifting the tax burden is not a solution of the tax exemption problem. Both the League of California cities and the California Farm Bureau Federation, however, favor adoption of the bill.

Proposition No. 19

Terms of Fish and Game Commission Members

This measure would change the tenure of members of the Fish and Game Commission from a fixed term of six years to six years and until their successors are appointed and qualified. The amendment was proposed by the Commission to eliminate present administrative difficulties when they cannot hold meetings because of vacancies or absences. It is pointed out that the governor could leave a member serve indefinitely by failing to appoint a successor; this would occur where Senate confirmation was not clearly forthcoming.

As the terms of office of the Fish and Game Commissioners are definitely fixed by the Constitution, the general laws do not apply. The general laws provide that a member of a commission may continue in the position after his term expires and until his successor is appointed.

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STATE PROPOSITIONS

Proposition No. 1

\$250,000,000 State School Bond Issue

This proposition would authorize the issuance of \$250,000,000 in State bonds for the construction of school facilities in impoverished districts. It was for the purpose of submitting this proposal that the Legislature called a special election for this November. The amendment directs the issuance of bond funds, and declares it to be the State policy to aid school districts in providing necessary and adequate school buildings and sites. Legislation has been passed which would carry into effect the provisions of the amendment which would add Section 15 to Article XVI of the Constitution.

The background of the bond issue is found in the overcrowded conditions existing in many of the State's school districts which are unable to finance new school buildings. The shortage of proper facilities is due to a rapidly rising school population resulting from a higher birth rate and immigration into the State, combined with subnormal school construction prior to and during the war years. Currently the birth rate in the State is estimated to be more than double that of 1940. With present enrollments it is reported that more than 100,000 children are in half-day sessions, that 75,000 children are in classes in non-school facilities (stores, garages, halls, etc.), and that class sizes are as high as 50 to 60 pupils.

The financial problem in the districts which have sought State aid lies in the fact that they have bonded themselves up to the State limit of five per cent of assessed value for school buildings. It has been estimated that 30 per cent of the 2,650 school districts have bonded indebtedness for schools at this maximum. Under the terms of the bond proposal these are the districts that would be qualified for State funds.

Two laws have been passed which carry out the purposes of the bonds, if they are approved by a majority of the voters. One would establish a State School Bond Finance Committee (Governor, State Controller, State Treasurer, Director of Finance and Director of Education, two members of the Senate and two members of the Assembly to be advisory) which would determine the necessity for issuance of authorized bonds, the amount to be sold, the provision for retirement of bonds and the rate of interest. The maximum maturity period for the bonds is 45 years, and the maximum interest rate is 5 per cent. Bond funds must be used exclusively to aid school districts in purchasing and improving school sites, purchasing school furniture and equipment and in construction or alteration of school buildings.

The second measure (SB 850) names the State Allocation Board (Director of Finance, Director of Public Works, Superintendent of Public Construction, two members each of the State Senate and State Assembly) as the body

which approves or rejects the school districts' applications for aid, and sets the qualifications for aid, the standards of buildings and the terms for repayment to the State.

To qualify for State bond funds this act provides that school districts must be bonded up to 95 per cent of the bonding limit, or within \$10,000 of such amount. For repayment of the funds loaned by the State the district must levy a tax at the rate of 40 cents per \$100 assessed value, which is applied first against district bonds with the balance going to the State as repayment. Assuming the total debt of a district, including State funds, was equal to 30 cents in the tax rate, the district would pay to the State the yield of 10 cents additional in the district tax rate. If the combined debt totalled 35 cents, the district would be required to pay 5 cents. Repayment amounts would be deducted by the State Controller from the State's apportionment for operating costs. Two-thirds approval by the electors is required to secure State loan funds, and the district agrees to repay the State to the extent of its financial ability.

Under the terms of the legislation, \$50,000,000 of bond funds would be available after approval of the issue, and a maximum of five-million dollars a month would be issued thereafter. The total bonded debt of the State is now approximately \$150,000,000, and this issue would increase the amount to \$400,000,000. It has been estimated that the maximum interest and redemption costs on the school bonds will be around \$13,000,000 a year, and that by 1956 the districts will be repaying about \$8,000,000. The State Chamber of Commerce estimates repayment by the districts will reimburse the State for fifty per cent of the \$250,000,000 issue and the interest costs.

Certain restrictions in the enabling legislation are noteworthy. The square footage per pupil is set at a maximum of 55 for elementary, 75 for junior high and 80 for senior high students. This space allocation is said to eliminate the construction of auditoriums, gymnasiums and cafeterias. Cost estimates of district applications are not allowed to exceed comparable new construction costs of districts in the same area.

Opponents of the issue have stated that the poor districts involved must be consolidated with wealthier districts, and that aid to the poorer districts will perpetuate an inefficient condition. The possibility that the Legislature might amend the enabling acts has also been raised; this might lead to the use of the funds for operating expenses, more elaborate buildings or the obligation of districts to repay being forgiven.

An increase in population from six million to ten million people in less than a decade and an increased birth rate, together with an uneven distribution throughout the State, has brought about existing conditions. The problem is most acute in the residential districts adjacent to metropolitan areas. The funds from this bond proposal will not be available to San Francisco or most of the other urban areas with high assessment rolls.

Since this proposition provides for repayment to the extent of the districts' ability to pay, it is a distinct improvement over an outright gift of State funds, such as the \$55,000,000 contributed by the State in the two previous years.

Proposition No. 2

Aged and Blind Aid (Initiative)

Proposition No. 2 proposes to repeal all of Article 25 of the Constitution added last November by Proposition No. 4, except the increased pension payments. It would restore administration to the counties, and also restore eligibility regulations that had been in effect for years prior to 1949. The measure, if adopted, would remove blind and aged aid provisions now "frozen" into the Constitution and restore the flexibility of legislative control.

Proposition No. 2 is desirable legislation because it would:

1. Repeal provisions that are harmful to eligible young blind persons, who desire a vocational training and rehabilitation program and not a dole.
2. Restore control by the Governor, Legislature and Department of Finance over administration and finances of the old-age pension system.
3. Restore the applicant's right to appeal from decisions of the Director of Social Welfare.
4. Repeal provisions that have broadened the scope of old-age welfare to include many persons who are not eligible under the Federal Assistance law and for whom the State must assume full financial responsibility.
5. Repeal provisions adversely affecting the financial structure of State government and reduce excessive costs of Article 25.
6. Restore balance between California and other states where provisions are less liberal, thereby removing the inducement for elderly people to come to this State.
7. Repeal provisions that provide for an elective Director of Social Welfare, who can, under existing conditions, build up a political machine among the aged receiving aid to win elections and remain in office. The dictatorship of pension politicians over a quarter of a million elderly persons must be ended.

From the standpoint of the potential applicants for old-age assistance payments and those already on the rolls, this proposition would restore the right of appeal to the board of supervisors of the county in which the applicant or recipient lives. If this appeal fails, the applicant would have the right to appeal to the State department. An impartial board would be appointed by the Governor to supervise the State Social Welfare Department.

The present Constitutional Article 25 gives the Director of Social Welfare the power to appoint the State Board. Obviously, this does not furnish the basis for critical reviews of the Director's acts, or for an impartial hearing. The press has reported that resignations have already occurred from this

Board. One of the reasons given was undue influence by outside interests. As Article 25 placed aged and blind aid under State control, there is no way provided for an applicant or recipient to make an appeal to their county boards of supervisors, whose impartiality has been demonstrated in the past. These people could, of course, appeal to the courts. This is expensive, and out of the reach of impecunious blind and aged persons.

The principle of checks and balances found in every division of government in this country has been omitted by Article 25 of the Constitution. The former authority of the Governor, the Legislature and other State officers to review or check the acts of the Social Welfare Department has been removed or weakened.

Proposition No. 2 would protect the taxpayers from paying substantial increases in taxes for unnecessary and unwarranted aid to persons ineligible under Federal statutes. In December, 1948 the cost of old-age relief payments amounted to \$12,127,000. This had increased to \$18,018,000 by August of this year, or \$5,891,000 in seven months. This increase has been fairly consistent month by month. The number of aged recipients has increased from 198,301 in December, 1948, the month before Article 25 went into effect, to 254,862 in August, 1949.

Eligibility under Article 25 includes applicants with relatives capable of supporting them, and persons between the ages of 63 and 65 who are not eligible under Federal aid standards. The State must contribute all of the funds required to support persons not found eligible under the Federal statutes.

The status of the blind will be improved. Their problem again will be considered independently on the local level. Vocational training, and assistance to enable them to establish themselves as partly or wholly self-supporting, is the prime need of young blind persons. They will continue to receive the \$85 monthly maximum now provided, just as aid for the aged will continue at the existing maximum of \$75 per month.

Restoration of an appointive director of social welfare, subject to control of a social welfare board appointed by the Governor, will be a major contribution of Proposition No. 2. This is an important change from the present system, which places a premium on the creation of a political organization by an elective director of social welfare. It is only a matter of time before a political "machine" favorable to the Director will be created to assure continuance in office.

The present cost of the blind and aged aid program is high, and mounting steadily. On the basis of current costs the near-term yearly cost will be over \$215,000,000. New taxes must be anticipated as the cost continues to advance. The increased pressure for funds will force the Legislature to seek new sources, and increase existing taxes. The property tax is one of the sources of revenue that could be utilized, which is not used by the State at present. Con-

ceivably, the legislators might make use of this means of raising the sum needed if the people fail to repeal the present costly old-age relief program. It might prove politically more acceptable than an increase in the sales tax, which is $3\frac{1}{2}$ to 4 per cent in most places. The Constitution provides for a limited State tax levy on real property, which could equal \$250,000,000. San Francisco, with its high assessment values (compared with many sections of the State) and large proportion of high-value property, would pay a disproportionately large amount of this property tax levy—perhaps as much as 15 or 20 per cent. The income tax and sales tax have been allowed to return to pre-war levels to meet increased requirements.

Passage of Proposition No. 2 would take the pressure off the search for new revenue, and would serve notice that the people of California are fed up with reckless taxation and spending schemes.

Proposition No. 3

Legislative Sessions and Legislative Pay

This proposition would increase legislators' salaries from \$100 to \$300 per month and increase per diem expense money; it would limit budget sessions in even-numbered years to thirty days' duration and to consideration of the budget bill, the approval or rejection of charters or charter amendments and provision for session expenses. Urgency measures, acts calling elections and constitutional amendments would be removed from possible consideration. Regular sessions in odd-numbered years would be limited to 120 days, exclusive of the prescribed 30-day recess.

Legislators' salaries are increased by \$200 per month, and per diem expenses are increased to match allowances of other elected officers—an increase from \$10 to \$15 per day. The per diem allowance is limited to attendance at sessions and to a maximum of sixty days as a member of a joint interim investigating committee. While serving on a committee from either house of the legislature, the limitation is forty days' expense allowance. No limit is placed upon mileage expense.

Those favoring the measure point out that the limited session can have the effect of making the Legislature organize its work more effectively; that the salary increase is warranted by the time required for the job; and that the increased per diem allowance is justified by the amount received by other officials. The limit on committee expenses is favored because appropriations for committees total around \$1,000,000, and it is thought that such service can be abused as a means of increasing compensation.

The limitation of subjects during the budget session is not considered a serious handicap to passage of urgent legislation, as the Governor can call a special session for these matters.

Opponents of the measure believe the session limits are too short, that the

salary increase is not adequate for its purpose of attracting the best candidates and providing some financial independence, and that the omission of a limitation on mileage is a serious defect.

Propositions Nos. 4 to 11, Inclusive

These eight constitutional amendments relate to the elimination of obsolete provisions in the Constitution, and are the recommendations of the Joint Interim Committee on Constitutional Revision. These amendments (Nos. 4 through 11) are considered to be non-controversial.

Proposition No. 4

This proposition repeals Sections 7½a, 8a and 18½, and amends Section 18 of Article XI of the Constitution. The purpose is to eliminate inoperative provisions related to consolidated city and county charters, the Panama-Pacific International Exposition, and the indebtedness of indicated counties and cities.

Section 7½ of Article XI is concerned with counties of 200,000 or more population organized under general law. Charter counties, or a consolidated city and county are excluded. At the time of adoption the section was applicable to Alameda County, which now has a charter; thus the section is not effective in any county.

Section 8a authorized San Francisco to amend its charter to issue bonds for financing the Panama-Pacific Exposition in 1915. Section is obsolete.

Section 18½ relates to payment of debt incurred by Los Angeles County over thirty years ago, and is obsolete.

Section 18 is amended to eliminate obsolete financing provisions concerning named cities and counties.

Proposition No. 5

Section 19 of Article XX, which relates to payment of expenses of Constitutional Convention of 1878-1879, would be repealed.

Proposition No. 6

This provides for repeal of Section 1a of Article IV of the Constitution, which deals with the effective date of statutes enacted by the legislature in 1933. The section has no further value.

Proposition No. 7

This amendment would repeal six sections of Article XIII, amend two sections and add a new section. The changes relate to revision of tax provisions, and would effect the following: delete inoperative provisions concerning the former method of taxing insurance companies; delete inoperative provisions relating to effective dates of former changes in the State tax system,

the tax exemption of the San Francisco Exposition and the tax re-assessment after the 1933 earthquake.

Section 18 is added to the Article which provides that the repeal and deletion of existing provisions shall not affect previously assessed taxes.

Proposition No. 8

Two sections relating to State fiscal management, both designated as Section 22 of Article IV, are affected by this amendment. One section is repealed and the other is amended to include the provisions of both. Inoperative language concerning the financing of the 1915 Panama-Pacific Exposition is also deleted.

Proposition No. 9

This measure would repeal Sections 4 through 9 of Article XXII of the Constitution, which deal with the election concerning adoption of the Constitution of 1879. These sections have no current value.

Proposition No. 10

The repeal of an inoperative section dealing with the effective date of a prohibition amendment which was defeated in 1914 would be effected by this proposition.

Proposition No. 11

This proposition deletes provisions of the Constitution concerning terms of State officers and legislators elected following adoption of the 1879 Constitution, and deletes salary provisions formerly applicable to officers and judges. Obsolete language concerning the abolished office of Surveyor-General and formerly applicable to Supreme Court commissioners is eliminated. A special provision relating to time of election for the Superintendent of Public Instruction is deleted.

This amendment is considered to be defective because the provision for a term of office for the Superintendent of Public Instruction is omitted. Inasmuch as the purpose of the amendment is merely to eliminate dead language, a negative vote is indicated.

Proposition No. 12

Daylight Saving (Initiative)

This initiative measure provides for daylight-saving time by advancing clocks one hour ahead of Pacific Standard Time between the last Sunday in April and the last Sunday in September. The change of time would apply to the performance of legal rights and duties and in public schools and other public institutions.

SAN FRANCISCO PROPOSITIONS

Proposition A

\$10,000,000 Airport Bond Issue

A \$10,000,000 bond issue would provide the funds needed for construction of a new terminal building, a concourse and various related facilities. The Public Utilities Commission gave the following reasons for submitting the issue: a sharp rise in the cost of materials and construction; mandatory requirements of the Civil Aeronautics Administration to increase the length and weight capacity of main runways, that were introduced since the 1945 \$20,000,000 airport bond issue was submitted; an unprecedented expansion in operations in the past three or four years since the 1945 bond issue was planned; the necessity to provide new devices and equipment now required by major airports designed to serve twenty-four hours a day every day in the year; and an expanded plan to develop facilities for the storage of aircraft, from which revenues may be produced.

The airport completion program calls for the expenditure of \$16,128,000, of which \$6,128,000 will be financed from current funds. This includes a future Federal grant in the amount of \$578,000 which the management assumes will be made available.

San Francisco has contributed a total of \$24,405,000 towards completion of the airport to date. The total investment in this project is \$35,988,000, including Federal funds and private capital. The plan originally contemplated construction of most of the improvements out of the 1945 bond issue, but post-war inflation substantially increased material and construction costs. Changes in Federal regulations and requirements needed to meet the increased size of post-war passenger planes (Constellations, DC-6's) meant longer, wider and thicker runways than the regulations called for when the bond issue was planned and voted in 1945.

The "breakdown" furnished by the Public Utilities Commission and the Manager of Utilities on April 21, 1949 indicated that this bond issue is primarily concerned with a \$4,500,000 terminal building and concourse and airplane servicing facilities, apron, etc., in connection with this new terminal area, estimated to cost \$2,500,000. The following items also are part of the new terminal area construction: roads and automobile parking space, estimated to cost \$500,000; a new maintenance building, estimated to cost \$230,000; landscaping, \$110,000; apron and roadway lighting, \$60,000 (including lighting of new main airport entrances); utility extensions, such as water, sewage, power, telephone and gas for buildings.

It is the belief of the Public Utilities Commission and the Manager of Utilities that this bond issue will be self-supporting from revenues of concessions in the new terminal building. The airport is expected to earn \$602,-

000 in revenue in 1949-50 and expenses total \$755,000, exclusive of debt charges. Interest and redemption on the 1945 bond issue amounts to \$1,665,000.

The construction of the new terminal building and related facilities will absorb the major portion of this proposed issue, and provide this city with one of the best air terminals in the country. The only question that has been raised concerns the kind of a terminal this city wants; and, therefore, the amount of money needed for its construction. This building cost is not out of line with the National Airport at Washington. The San Francisco airport is the nation's principal gateway to the Orient and the Pacific, as well as the transcontinental terminus. Aviation is growing rapidly, with no indication where or when this expansion will stop. Although the city has invested heavily in the airport development, it remains unfinished, and the alternative is either to provide the funds or leave the airport uncompleted.

Proposition B

\$4,000,000 Cherry Valley Water Supply Bond Issue

The Cherry River project would increase the City's Hetch Hetchy mountain water storage capacity by 260,000 acre-feet, would assure continuous capacity power output at Moccasin and Early Intake power plants, would make secure the City's water rights and would provide water for a future increase in power output of an estimated 420-million kilowatt hours annually. This project is a further development of the Hetch Hetchy water supply system, and is a part of the long-range development program. Development to date of the Cherry River project has been carried on from annual appropriations of \$25,000 from revenues of the water and power system since 1940. The proposed dam will be located on the Cherry River, a tributary of the Tuolumne River one and three-fourths air miles west of Eleanor Dam and seven air miles northeast of the O'Shaughnessy Dam.

The full cost to complete this unit is estimated by the City's utility engineers to amount to \$13,000,000, of which the City will pay \$4,000,000 and the Federal Government the remaining \$9,000,000 for its flood control value. The 310-foot Cherry River Dam, the main structure in this development, will cost an estimated \$7,800,000. The plans call for a rock-fill structure. Other facilities and structures and the estimated cost are as follows: overflow spillway, \$1,250,000; outlet tunnels and controls, \$1,400,000; general area improvements, \$350,000; roads, \$920,000; power and telephone lines, \$80,000, making up the total of \$13,000,000 estimated cost of the project.

The long-term situation confronting San Francisco calls for an additional large investment in storage facilities in order to protect and utilize the City's water rights in the Hetch Hetchy project and the Tuolumne watershed. Without this investment the amount of water available for consumption

will always remain in doubt; the City's water rights and rights to use national park and forest lands are contingent upon diligent development and use of its water resources. If the City should fail to develop its water resources in this area it would risk possible cancellation of the City's rights to unused water and undeveloped water rights, and possibly appropriation by others ready to develop and use such water. There are no known sources of water supply that remain unappropriated.

Water is an extremely valuable resource in this State.

Diversion and use of water from the Tuolumne River watershed is shared by this City and the Turlock and Modesto irrigation districts. The City's rights are secondary to those of the irrigation districts. These Districts have the right to the full flow of the River up to 2,350 cubic feet per second for a ten-month period; and up to 4,000 cubic feet per second for the other two months of the year. According to the City's engineers, the water flow records over the years show that ordinarily this includes all the normal flow of the River, and leaves only flood water for the City's use. The periods of high-water flow usually occur only in the spring. If this flow is light, as it often is in "dry" years, very little water can be held back by the city in its reservoirs.

It is this conditional water right situation and the recurrence of "dry" cycles that necessitates the construction of vast storage capacity in order to take advantage of flood water in the so-called "wet" years. Engineers of the city estimate that approximately 1,400,000 acre feet, or nearly four times the present reservoir capacity, will be needed to produce a dependable water supply capable of furnishing the city with 400-million gallons daily, the estimated ultimate capacity of Hetch Hetchy.

The Cherry River project is a part of the over-all plan, and involves agreements between the City and County, the Turlock and Modesto Irrigation Districts and the Federal Government. Under the terms of the agreement with the Irrigation Districts, it is proposed that upon completion of the Cherry River Power House the City agrees to release into Don Pedro Reservoir (the District's reservoir) water stored in the Cherry Valley reservoir at a minimum rate of 25,000 acre feet per month, continuously from April to October, inclusive, when such amounts are in storage and can be beneficially used by the Districts. The agreement further states that upon five years' notice by either party, at or after such time as the City's diversion from the Tuolumne watershed reaches an average of 200-million gallons daily, the City and the Districts agree to cooperate in construction of the new Don Pedro reservoir.

The proposed new Don Pedro Reservoir will have a capacity of 1,200,000 acre feet, which shall include 290,000 acre feet to replace the Districts' existing Don Pedro reservoir, 570,000 acre feet for City exchange storage space and 340,000 acre feet of flood control storage space. The portion of the reservoir provided for flood control storage is reserved for flood control, but

the portion not needed for flood control at any time shall be shared fifty-fifty by the Districts and the City.

The City agrees to pay the cost of the new reservoir, and the Districts will contribute the site. The full program envisages an ultimate expenditure of an estimated \$35,000,000. Following the completion of the reservoir the City will have the right to divert and use the water assigned to the Irrigation Districts under the Raker Act, in an amount equal to and in exchange for the City-owned water actually in storage in the new reservoir. Furthermore, whenever the new reservoir fills or spills, all previous storage credits will be terminated, and the City will own all the water in its upper reservoir in addition to the water in the full amount of its exchange storage space and 50 per cent of the flood control storage space in the new Don Pedro Reservoir. In effect, the agreement, with certain provisions for the exchange of water between the two Districts and the City, provides for a full use of Tuolumne water in an economical manner.

The City, in entering the agreements with the two Irrigation Districts to construct the new reservoir, has eliminated the necessity for much more costly construction of additional dams on the upper reaches of Tuolumne watershed streams, where the development work necessary to such construction vastly increases such costs. The Districts, on the other hand, in return for contributing the site for the new reservoir, will secure substantial increased storage space and an assured flow of water. Similarly, the City assures itself of a steady supply at all times, at an economical construction cost figure.

The first installation of this long-range water development of the City's Hetch Hetchy water supply project hinges upon the immediate construction of the Cherry River unit. The United States Army Engineer Corps, which is interested in flood control on the lower Tuolumne and San Joaquin Rivers, insists that the project be undertaken immediately as a condition to securing the \$9,000,000 Federal grant-in-aid. It is estimated that the project will be self-liquidating from revenues, and that when additional power is generated following construction of the Cherry Powerhouse and Aqueduct, which is not involved in the present project, revenues are expected to amount to approximately \$2,000,000 annually.

The Cherry River project is an essential part of a long-range, economical plan for joint City, Federal and Irrigation District development of water resources, water conservation and flood control on the Tuolumne River, and will provide an assured maximum supply for the future San Francisco and environs.

Proposition C

Pension Adjustment for Retired Employees

This charter amendment would grant \$25 per month and a proportionate amount thereof for less than 20 years' service, based on years of service, to

persons retired prior to July 1, 1947. The actuarial report shows a first-year cost of \$374,000. As over two-thirds of the group of 1,378 affected are over 70 years of age, the yearly amount is expected to diminish rapidly and eventually to disappear.

It is estimated that more than half of this group of aged, retired City employees now receive a pension of less than \$75 monthly. The increased allowance is intended to alleviate this condition.

This adjustment is merited, but should not be considered as a precedent. A change in the pension system was voted by the people in 1946. The persons concerned were unfortunate in that they were retired, before the new act went into effect on July 1, 1947, and could not take advantage of the new system and higher pay scales approved under subsequent salary standardization measures. It can be argued that it is a gift of public funds and that the increase was not a part of the terms of the retirement agreement between the City and these employees. However, the State of California increased the allowance to retired state employees when a liberalized plan was installed. Furthermore, the effects of inflation on the City's retired employees cannot be ignored.

Proposition D

Fire Department Pensions

Two changes would be made in the Fire Department pension system by the enactment of this measure. The first would make 19 employees who will complete less than 25 years' service upon reaching age 65 eligible for a prorated pension allowance. Secondly, if any fireman eligible for service retirement should remain in the City's service, and while on such active service should die, his wife or other survivors would be entitled to one-half of the pension or, at their option, a death benefit. The benefits would be identical to those now applicable to survivors of retired firemen.

The nineteen employees covered by the first change are not now eligible for pensions, through a defect in the 1948 amendment. They would be given the privilege of a choice between the Fire Department pension plan or exercising an option for membership in the retirement system for miscellaneous City employees.

The proposal to allow the half pension to continue to the widow or other survivors of an employee who dies after qualification for retirement but before actual retirement is a desirable revision, which remedies a shortcoming of the present pension system. Firemen are eligible for service retirement at age 55 with 25 years' service; if these employees continue in the Department and die before actual retirement, their pension rights for their family are lost. The amendment would encourage men below the compulsory retirement age of 65, who have qualified for service retirement, to remain in the Department.

Under existing provisions, many consider they are forced into early retirement. The actuarial report estimated the cost of the changes to be \$4,486 a year.

Proposition E

Consolidation of Park and Recreation Departments

Adoption of this proposed amendment to the Charter would consolidate the Recreation and Park Departments under a commission of seven who would serve without compensation for overlapping terms of four years, and who would not be subject to removal by the Mayor. Not less than two members of this commission would be women. The amendment further provides that the Commission would appoint a general manager who would serve at the pleasure of the commission. Subject to the civil service provisions of the Charter, the commission will appoint a secretary. It is provided, however, that the incumbent Recreation Commission secretary be appointed to the position of Secretary of the Recreation and Park Commission.

The measure provides that the civil service rights of all persons employed by either the Recreation or Park Departments be continued under the consolidated department. This amendment has been carefully prepared with the thought that all of the rights and privileges of the employees of both departments would be protected. Although employees of the two departments claim that they have not been assured full "protection," there does not appear to be any justification for this contention to be found in the terms of the measure.

Park and playground lands and facilities will be under the control of the general manager. The amendment grants the manager the power to appoint and remove a superintendent of recreation, a superintendent of parks, a director of the zoo and an executive secretary to the general manager, all of whom would be exempt from civil service. The measure provides, however, that the incumbents occupying these positions would be continued in their respective positions, and the incumbent in the position of park commission secretary on the effective date of this measure would become the executive secretary to the general manager.

The measure protects the citizens from use of park and recreation lands or structures for any other purposes. The Commission is not permitted to lease any of the facilities or lands under its control except for recreational purposes, and such leases will be subject to approval of the Board of Supervisors. Sub-surface space under any public park or square may be leased to the highest responsible bidder for a period not to exceed fifty years, and the right of private operators to operate a public garage under lease is provided for.

A similar proposal was submitted to the voters at the November 4, 1947 election. This step was taken following an exhaustive survey and report on the organization and operations of the Park and Recreation Departments by

the Mayor's administrative staff. This report concluded that improved operating methods, more economical use of manpower, improved utilization of park and recreation areas and a more economical development of future park and recreational facilities would result from consolidation. The measure received 96,046 votes, losing by a margin of 16,993.

Substantial savings in operating costs should not be anticipated immediately from this move, as the measure provides for the continuation of employments. However, in the normal course of events, deaths, retirements and severance of service will provide the basis for some re-organization. Furthermore, there is an expansion program under way which will require additional manpower to operate when completed, so that any surplus manpower can be utilized in this field.

The two departments operate a few overlapping or parallel services in the recreational field. The payroll of the Park Department ordinarily carries six part-time recreation directors. The annual salary ordinance lists only three permanent full-time employees in this field, two lifeguard-watchmen (swimming) and swimming pool matrons, "as needed." Funds are provided for park playground directors in the budget on an hourly basis "as needed."

There are relatively few adjacent park and recreational areas where the two departments' interests may overlap. The following recreation and park areas are located in the same vicinity: Stern Grove (Recreation) and Carl Larsen Park; Corona Heights (Recreation) and Buena Vista Park; Margaret Hayward Playground and Jefferson Square Park; Father Crowley Playground (may be abandoned) and Columbia Park; Geneva Avenue (Recreation) and John McLaren Park; Ocean Avenue (Recreation) and Balboa Park. Other park and recreation areas are fairly close together in North Beach and Bayview.

The proposed consolidation is opposed principally by employees of the departments, labor union representatives who have members of their unions working in the departments and individual commissioners. Employees' opposition is based primarily on the grounds that the move would affect their employment in some way. Members of the Commissions, particularly the Recreation Commission, are not convinced that the program would result in material benefit. On the other hand, recreation management is convinced that it will do serious harm to the recreation program. It is contended that park grounds will be maintained and the "grass will be kept green," because the public can see these things, while the less obvious recreational program will be curtailed when and if the consolidated department is faced with reduced revenues in times of economic stress.

Improved budgeting could be anticipated under a competent general manager. This result, like most of the improvements expected from consolidation by proponents, depends upon good management and the appointment of qualified personnel.

Proponents of consolidation contend that advantages such as improved use of land areas and more economical and efficient operation will result, but no specific plans have been developed.

San Francisco is an exception to the general rule followed in twelve of the largest cities, where there are consolidated departments. Los Angeles consolidated its Park and Recreation Departments in 1947, with the reported result of expanded recreational use of parks, improved landscaping and maintenance of playgrounds and more effective use of manpower and equipment.

Proposition F

Liberalized Vacations for City Employees

Proposition F would add Section 151.4 to the Charter, which would provide that after five years' service all city employees would be granted a vacation with pay of fifteen working days annually on the basis of five days each week. This amounts to a vacation of three calendar weeks. Employees with one to four years' service would continue to receive two weeks' vacation annually with pay. Language in Section 151 covering the two weeks' annual vacation now allowed would be deleted.

Similar proposals for liberalization of city employees' vacations have appeared twice in recent elections, and have been defeated by the voters.

The cost of the measure must be considered in two respects—first, the payroll cost of the additional time away from duty, which it is estimated would amount to roughly \$800,000; and second, the necessary replacement of vacationing personnel. The Controller has estimated the latter cost at \$203,535, of which \$140,965 would come from revenue other than taxes. This estimate is based partly upon department reports submitted in connection with the vacation proposal, and appears to be conservative. The total estimated cost of the proposition would be in excess of one million dollars annually.

Vacation practices in private employment do not support the proposal for city employees. The survey of the San Francisco Employers Council made in July shows the following: of 227 firms checked, 43 allowed one week's vacation after a year's service; 143 granted two weeks; and only 7 firms (3 per cent of the total) had the policy of giving three weeks' vacation after five years' service. The 1948-49 report of the Civil Service Commission indicated 13 out of 192 firms allowed the equivalent of the employees' proposition. Of eight large public jurisdictions, four have substantially the same vacation policies as this city and county, and four have more liberal provisions.

Under the terms of Proposition "F" employees who work and receive pay for more than five days per week will have their vacation pay reduced to a five day week basis. This provision affects such employee groups as carmen, policemen and institutional workers.

This proposal would include approximately two thousand per diem craft employees who now receive the benefits of union contracts with private firms; these workers would get three weeks' (15 working days) vacation if this is passed, besides the benefits of a superior pension plan, sick leave, health service system, etc. Employees in this group have been suing the City in order to obtain the full benefit of all "fringe" contract provisions, which are in addition to what all other City employees not in this union contract setup now enjoy.

Standardization procedure and use of public jurisdictions for comparative data for fixing the salaries and working conditions of craft employees were eliminated by vote of the people in accord with the employees' wishes. For the reason that this large group is included and the further reason that most of the people who pay the taxes in this city do not receive comparable vacation privileges, the proposition lacks merit.

Proposition G

Increased Pension for Health Director

This amendment would add Section 158.2 to the Charter, and provide an individual pension arrangement for the Director of Public Health. The terms of the measure grant, in effect, a \$6,000 annual pension at age 65 with 20 years' service. If service continues beyond age 65 the incumbent's contributions cease, and mandatory retirement is specified at age 70. The actuarial cost of the revision varies with the retirement date of the present incumbent; the consulting actuary reported that if retirement occurs in 1952, the increased cost to the City would be \$20,954; and if the individual leaves the service in 1955, the cost would total \$4,404.

Evaluation of this proposal reveals undesirable features. It could become a dangerous precedent, and a real hazard to the City's pension system. The occupant of the position now enjoys membership in a pension plan along with other City executives and employees, and had the option in 1947 of changing to a plan approved by the voters, which is considered as liberal as any in the State. The proposed amendment would "freeze" the retirement conditions of future health directors, so that the various alternatives under the present system (earlier retirement, etc.) are removed. There has been no justification offered for this legislation and for the expenditure of public funds involved.

Proposition H

Reduction of Police Work Week

Hours of work for police officers would be reduced from 44 to 40 per week, and two days off duty each week would be allowed by this amendment. The eleven holidays during the year granted to monthly City employees

would be assured for police officers, a matter now determined by the Commission. The Controller has estimated the maximum cost at \$700,815.

The Charter now provides that officers shall be on duty not more than 44 hours, with the Police Commission given the right to reduce hours of work. The Commission has not acted to reduce the work week below the maximum specified. As the amendment specifies a 40-hour week, it would require another amendment of the Charter to change this provision.

Almost every large city in the country has a work week longer than the 44-hour schedule now in effect here, with 48 hours being the most frequent. Reference to the table below shows the prevailing situation in the twenty largest cities and four Pacific Coast cities. The police departments of some cities in California, such as Alameda, Berkeley and San Jose, operate on a forty-hour schedule.

TWENTY LARGEST CITIES

City	Hours Worked*	City	Hours Worked*
Chicago	48	Pittsburgh	54
Detroit	40	St. Louis	56
Los Angeles	41	San Francisco	44
New York	**	Washington, D. C.	51
Philadelphia	48	Atlanta, Ga.	48
Baltimore	56	Birmingham, Ala.	48
Boston	***	Cincinnati	48
Buffalo	48	Columbus, Ohio	48
Cleveland	48	Dallas	48
Milwaukee	48	Denver	48

PACIFIC COAST CITIES

Oakland	44	Seattle	47
San Diego	44	Portland	48

*Source: *Municipal Yearbook*, 1949.

**New York patrolmen work an average of 42 hours per week, officers somewhat less.

***Boston policemen on the first shift work a 48-hour week, and those on the other two shifts work slightly less than 48 hours, the Boston Municipal Research Bureau reports.

The principal argument against this measure is that it is not necessary, as the Police Commission now has the authority to reduce the hours worked by the Department.

Proposition I

Statute of Limitations

Section 13.1 would be added to the Charter by this amendment, which would require a three-fourths vote of all the members of the Board of Supervisors to waive the statute of limitations. Nine votes of the eleven-man board would be necessary to waive the protection of any State or Federal statute of limitations in any legal action or proceeding against the City and County.

The proposal was introduced as the result of past actions of the Board of Supervisors, which by a majority vote waived the City's legal protection in suits against the City, which resulted in costly judgments. The three-fourths requirement would make such a waiver more difficult to obtain than it is with the present requirement of a simple majority.

Proposition J

Civil Service for Clerks in District Attorney's Office

Clerical employees in the District Attorney's office who have been employed for one year would be "blanketed" into civil service status by this amendment of Section 34.1. Excepted from civil service are assistant attorneys, a confidential secretary and the positions of investigator or senior investigator.

Similar positions in the offices of the City Attorney and the Public Defender are now subject to civil service. No qualifying examination would be required of individuals with a year's tenure on the effective date of the amendment.

Proposition K

Supervisors' Salaries

Members of the Board of Supervisors would be granted a salary increase of \$100 monthly and a maximum of \$100 additional for attendance at committee meetings. They now receive \$200 per month. Attendance at committee meetings would be compensated at \$20 per meeting, and in lieu of attendance at committee meetings the President of the Board would receive \$100 monthly for duties in connection with this office.

The present salary of \$200 monthly was set in 1911. Since that time the City has increased in population from somewhat over 400,000 to 800,000, its government has become more complex with added functions and the value of the dollar has materially decreased as the result of two world wars. Conscientious members of the Board of Supervisors devote more time than formerly to committee meetings and investigations of City affairs in addition to regular Board meetings. The Board is now responsible for a budget totaling \$131,000,000, in contrast to budgets of \$30,000,000 when the \$200 salary was established.

Compared with legislators in other large cities San Francisco's supervisors are among the lowest-paid in the nation. Compensations of legislative bodies range from \$1,800 in St. Louis to \$8,000 in Pittsburgh, with an average of \$4,888 for twelve large cities.

The proposal also has merit, as all elective officials of the City and County, excepting members of the Board of Supervisors, have received salary increases in recent years. Full-time appointive officers and civil service employees have also had adjustments under salary standardization as compensations generally advanced.

Proposition L

Disabled Police Officers' Pensions

Police officers retired for disability in line of duty before July 1, 1949 would once again receive the full amount of their pensions, whether employed or not, under the terms of this amendment. The fifty-one retired men in this group (of whom only five are currently affected) had this privilege taken from them through an omission in the 1948 revision of the police pension system. This measure would restore them to their former status. Under existing provisions the retirement allowance from the City's contribution is reduced by the amount of the earnings which, when added to the City's pension allowance, exceed the salary of the position from which the individual retired. The changed system which resulted in reductions became effective in July, and this amendment would correct the situation.

Proposition M

California Cable Car Purchase—\$150,000

This Charter amendment would authorize the purchase of the operative properties of the California Street Cable Railroad Company for a price of \$150,000. The properties were offered to the City, owing to the inability of the Company to operate successfully. The direct cause was management's inability to pay the new Municipal Railway platform and bus employee rate to its gripmen. Competition by the Municipal Railway bus line one block away on Sacramento Street was a factor.

The amendment provides that the lines shall be transferred to the City free of all claims. The purchase price may be paid out of the general fund or any other funds which may legally be made available under the terms of the Charter.

The purchase amendment exempts the California Cable lines from the terms of Section 119.3 of the Charter, which makes it mandatory to continue cable car operation. The property that would be purchased under this amendment consists of 11.5 miles of single track, cable cars, cable, machinery, etc.,

and the real property at California and Hyde Streets. The value of this piece of property is appraised in excess of \$100,000.

The Manager of Utilities estimates the City's operating loss for the California Cable lines would be \$200,000 per year, based on the latest wage boost to Municipal platform employees and bus operators and other City operating costs. The City's costs are higher than those of the Company. Among the reasons for this difference are high pension costs, sick leave, overtime pay for some employees and other employee benefits not enjoyed by the employees of the California Street Cable Railroad.

The California lines operated 104,245 cable-car hours in 1948. The gross receipts were \$710,550, and operating expenses amounted to \$712,303, resulting in an operating loss of \$1,753 before taxes or income from securities. If the City continued cable car operations unchanged, the loss under City operating conditions, it is estimated, would have amounted to \$195,340 for 1948, excluding interest charges.

The problem faced by the citizens in this purchase proposal is not one of price, which is not unreasonable; but it involves the policy of continuation of an outmoded, costly transportation system. If the Public Utilities Commission would abandon all or a major portion of the system, the problem would be greatly simplified. In connection with this move, possible consolidation with the Municipal system's Sacramento Street bus line should be considered.

The decision of the voters must be based upon financial considerations involving the estimated heavy losses with cable car operation and its effect on the weak finances of the Municipal Railway. The City and County Controller estimates that the Municipal system must reduce expenses by \$441,000 in order to break even for the current fiscal year. This will mean, among other things, a reduction in service and consolidation or abandonment of some lines before taking into consideration estimated losses of the California Street Cable Railroad Company, if the voters approve this proposition. The Public Utilities Commission submitted an adverse report to the supervisors on the purchase proposal.

Proposition N

Declaration of Policy—Traffic Fines

The voters are asked by this policy declaration, "Shall violators of vehicle parking restrictions effective for 'bus zones,' 'no-stopping streets,' and areas 'on or near railroad tracks' be assessed a minimum fine of \$5.00?"

If the electorate's response to the question is affirmative, the effect will be to increase the two-dollar fine now charged for bus zone and railroad track violations and to continue the five-dollar penalty for parking on "no-stopping" streets. The minimum fine for the three violations is now two dollars, but traffic judges have established a policy of fining five dollars for "no-stop-

ping" streets violators. The Police Traffic Bureau favors the five-dollar minimum fine for purposes of traffic control.

This is the third in a series of policy declarations on the subject of traffic fines. In 1946 the voters favored a reduction of the minimum fine from five dollars to two dollars, and in 1947 a declaration which would have made five dollars the minimum was defeated. The present submission, if approved, would return the situation to its 1946 status, before members of the Board of Supervisors offered the question on reduction of fines.

Supervisors MacPhee, Christopher, Fazackerley and Mancuso signed this declaration of policy in accord with Section 179 of the Charter. If it is approved by a majority of the voters, it is the duty of the Board of Supervisors to carry out the intent of such declarations with proper legislation.

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Ballot Propositions

CHARTER AMENDMENTS
AND STATE PROPOSITIONS

San Francisco Bureau of Governmental Research

58 Sutter Street, San Francisco 4, California

San Francisco Bureau of Governmental Research

*"A non-partisan citizens' agency to cooperate with officials and work
for economy and efficiency in municipal affairs."*

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WHAT THIS ELECTION MEANS TO THE TAXPAYER

The taxpayers of this city face a permanent increase in city expenses of \$4,646,586 annually, or a tax rate increase of 38.1 cents per \$100 of assessed value, if five of the nine measures on the June 6 ballot are approved. These are Propositions C, E, F, H, and I. The current ballot proposals follow the pattern established in elections in recent years. The municipal-employee groups introduce proposals, the supervisors order them submitted to the voters and the voters approve at each election a series of costly measures providing special benefits for the municipal-employee groups. The cumulative effect on the annual budget of all salary, wage, hours, pension and other benefits either voted by the people, the Board of Supervisors or the Board of Education over the past eight years is \$35,000,000, based on official estimates made at the time the measures were being considered.

The cost and tax effect of the propositions on the June 6th ballot follow:

PROPOSITION:	Controller's Estimate of Amount of Increase	Tax Rate Increase per \$100 of Assessed Value
A. Two and three-week vacations for per diem or craft employees now under private employment wages and working conditions.....	*	*
B. Limits authority of the Public Utilities Commission to leasing agricultural lands only.....	*	*
C. Would grant supervisors salary increase under salary standardization. (Average of L. A. and Alameda Cos., Bureau estimate).....	[\$44,000]	0.4¢
D. Would provide for competitive bidding under supervisors' authority for all concessions and privileges affecting city property, with certain exceptions	*	*
E. Improved benefits for retired police officers, 15-year basis.....	201,463	1.9¢
If H is approved cost of E would increase by this amount, according to City Actuary....	[60,000]	.6¢
F. Fire Department salary increase (\$420 per year). Initiative act.....	1,192,521	11.4¢
G. Would require filing of statement with detailed account of receipts and expenses of campaign funds.....	*	*
H. Police Department salary increase (\$420 per year)	988,020	9.4¢
I. Salary standardization ordinance (Referendum, cost of salary increases).....	2,160,582	14.4¢
TOTAL EXPENSE	\$4,646,586	38.1¢

* No official cost estimate submitted.

The Police and Fire Department personnel have had sixteen measures on the ballot in the past eight years which have been approved by the voters. These measures included several salary increases, a reduced work week and substantial pension benefits. The Police and Fire Departments' annual cost was increased \$8,313,134, by adoption of these measures, based on official estimates made at the time the proposals were under consideration.

Another example of increased personnel costs is the city's contribution towards the city employee pension fund, which has increased 276 per cent since 1943-44. In that year the amount budgeted for the retirement fund was \$3,032,932. The amount budgeted this year is \$11,414,463, or an increase of \$8,381,531 in the yearly expense for pensions. The Fire and Police funds are included in these figures.

The opposition to the current salary demands is not merely tax consciousness on the part of "downtown" groups, as municipal employee propaganda would have the public believe. It is the considered opinion of many reputable citizens' groups, after careful study, that the facts do not justify the salary increases sought by the policemen, the firemen or the city employees. The city employee salary increase referendum (Proposition I) also violates the spirit and intent of the Charter.

The city employees, firemen and policemen should be reminded that in the past eight or nine years their pension and salary measures have had the approval of "downtown" civic groups. The Bureau of Governmental Research found that the facts justified many of the changes, as the record will show.

For the first time in many years these employees failed to discuss their problems with and present the facts justifying their demands to civic groups before the measures were ordered submitted to the voters. This is significant. The official arguments for the measures do not submit comparable or relevant data. The reason is the virtual absence of facts to justify the demands.

SAN FRANCISCO PROPOSITIONS

Proposition A

Vacations for Craft Employees

This amendment would add Section 151.5 to the Charter, which would grant two and three-week vacations to the city's per-diem craft workers. Under terms of the measure this group would receive three weeks of vacation after five years' service, like other city employees, who will receive the three-week vacation starting in 1951.

This measure resulted from a suit brought by the city-employed union machinists and an appellate court decision, which held that certain craft workers who were suing the city for contract benefits should have only the vacations specified in the collective bargaining agreements for their respective unions. The effect of the decision was that many of the 2,200 city employees concerned would have either no vacations or the one and two-week periods in their union contracts. This amendment was sponsored by the A. F. of L. unions to insure that members employed by the city would secure vacations as provided for other city employees not affected by the union contracts and court decision.

The approval of the amendment would create a difference between conditions for craft workers in private employment and those on the city payroll. The city workers who already have civil service benefits, such as sick leave, pensions, health service and regular employment, will have longer vacations than those enjoyed by workmen in private industry.

The Controller did not report any increased cost for this measure. It is believed, however, that the cost of city vacations in excess of union contract provisions would be considered an added charge. The measure also is retroactive, in that it protects the group affected from repayment to the city for past paid vacations.

Proposition B

Lease of City Property

Proposition "B" would limit the authority of the Public Utilities Commission to leasing agricultural lands owned by the Water Department, and would place the granting of leases on other Water Department lands under the control of the Board of Supervisors and the Director of Property.

Section 93 now provides that whenever any head of a Department in charge of real property reports that certain land is not required by the Department, the Board of Supervisors by ordinance may authorize the lease

of such property and the Director of Property shall arrange for such lease for a period not to exceed 20 years to the highest responsible bidder. Water Department lands are excluded.

This is the only Department that has the right to lease unused lands without supervisorial action. Proponents of the measure did not submit evidence or data indicating mismanagement.

The amendment was opposed by the Public Utilities Commission, Manager of Utilities and the Manager of the Water Department on the grounds that the supervisors had failed to produce evidence of bad management, that 95 per cent of Water Department land is agricultural and that no reason existed for shifting control of 5 per cent of the leases to another department.

Proposition C

Supervisors' Pay Increase

This proposed Charter amendment would result in an increase in compensation for members of the Board of Supervisors, if the measure is approved by the voters. Under the plan proposed in the measure, salaries of other legislative bodies (probably county supervisors) would be used as the basis for setting San Francisco supervisors' salaries.

At present the supervisors have a salary of \$200 per month, fixed by Charter. There have been several attempts to secure increases by Charter amendment, but the voters have turned them all down. The last time this occurred was in November, 1949, when a Charter amendment to raise supervisors' salaries to \$300 per month and pay up to \$100 additional for five committee meetings was placed on the ballot.

The official argument advanced in favor of Proposition "C" states that it will eliminate a provision in the Charter whereby the compensation of all elective officers in the city and county, with the exception of members of the Board of Supervisors, is fixed by salary standardization; that it will extend the principle of like pay for like work to members of the Board of Supervisors; that this measure will not grant the Board the power to review the Commission's recommendations and that the compensation will be limited to and not exceeded by compensations paid for similar work in other California communities.

Assuming that the Board's primary status will be held to be that of a county board of supervisors, an erroneous assumption in the opinion of this Bureau, it would be possible to set the salaries as high as the \$650 now paid in Alameda County. Other counties pay supervisors as follows: \$550 per month in San Bernardino County; \$416.66 in Contra Costa, Sonoma and Los Angeles Counties (\$400 per month additional as directors of flood district

in Los Angeles); \$350 in San Diego County and \$300 in San Mateo County.

The matter to be decided by the voters is not whether an increase is justified, but whether the method of accomplishing it is appropriate.

This measure would place the appointive Civil Service Commission and its staff in the position of having to set the salaries of the legislative body which controls budgets and appropriations, as these are subject to review by the Board of Supervisors. It would violate the principles of good government. It proposes to do by an indirect method what could not be accomplished by direct vote of the people.

Proposition D

Letting of Concessions and Privileges

Proposition "D" would add a new section (Sec. 93.1) to the Charter, which would give the Board of Supervisors the authority to grant concessions, privileges or leases relating "in any manner to any real or personal property of the city and county," by competitive bids, "unless otherwise specifically authorized by resolution of the Board of Supervisors." This section would not apply to revocable permits or licenses or the municipal auditorium. The Board would establish the necessary procedure by ordinance. The proposed amendment would not prohibit the Public Utilities Commission from entering into agreements with other utilities to share the joint use with the city and county of property owned by the city and county and devoted to public utility operation. This proposed section also would permit the Recreation and Park Commission to lease or rent any stadium, pavilion or recreation field under its jurisdiction for athletic contests, exhibitions and other public events as provided by Charter, without any competitive bidding or approval by the Board.

It would place the power to grant concessions and privileges in the hands of the supervisors. Proponents on the Board claim that this control is necessary, in order that the city shall get the best possible return from city property through open competitive bidding under the auspices of the Board of Supervisors. The Board, however, may by resolution set aside competitive bidding.

Those opposed to this measure, commissioners and heads of departments, believe that if they are to be held responsible for the success or failure of the affairs entrusted to them, they should be given the authority to direct these enterprises without interference by the supervisors, who have no responsibility in the matter. It is, they claim, a grant of administrative powers to the Board of Supervisors which is contrary to the intent of the Charter; that the Board should not step outside the legislative field and that no evidence has been submitted to substantiate the Board's suspicion of some departmental acts in the past.

Proposition E

Retired Police Officers' Pensions

Three changes in police retirement provisions would occur with the passage of this amendment. The first is similar to a recent amendment to the firemen's pension system; it allows the widow or survivor of a man who dies after eligibility for retirement to receive a pension or death benefit as though he had been retired. This is desirable for the city, as it would tend to keep the older experienced men in service rather than forcing them to retire.

The second revision would change the salary base used to determine the retirement allowance of retired officers to the salary currently attached to the rank which they held three years prior to retirement. At present, the retired police officers who would be affected have their allowance based upon their salary prior to retirement, the same as all city employees outside the uniformed forces. The effect of the amendment is to adjust allowances of those retired whenever salaries paid to active officers are changed.

The final revision presented in the amendment would change the effective date of a pension measure approved in November, 1948 to the date of the election rather than July 1, 1949, so that the widows of seven retired policemen would be covered. These men died between the date of election and the effective date of the amendment.

The cost of the measure has been estimated by the city actuary at \$201,463 annually, with liquidation in fifteen years. The salary base adjustment for retired officers constitutes the greatest proportion of the costs.

In evaluating the merit of the amendment as presented to the voters, the three unrelated changes sought should be borne in mind. The pension allowance to widows of those who remain in service after eligibility for retirement is unquestionably sound for both the individual and the city as employer. The inclusion of seven widows by a change in effective date is a remedial step of simple fairness. However, this and the preceding change is not all that is involved. The adjustment of retirement allowances to conform proportionately with changes in salaries paid to active officers has been added, which is of questionable merit. Thousands of city employees under the non-uniformed retirement plan receive no adjustments after retirement if the salary of the position they left is increased.

It has been estimated that if Proposition "H" (police salaries) and this amendment are both approved, the cost of this amendment will be increased an additional \$60,000 to provide higher pensions for the retired policemen.

Proposition F

Fire Department Salaries

This Charter amendment, which was placed on the ballot by initiative petition circulated by members of the Fire Department, would increase Fire Department salaries by amounts ranging from \$420 to \$900 per year, and make other significant changes, including a reduction in the maximum work period from 130 to 120 hours in a fifteen-day period. If this measure is adopted the San Francisco fireman would be the highest paid in the 27 largest cities in the nation.

This measure was drafted by the members of the Fire Department, and the public had no chance to register its views as they have with measures originating in a legislative body. This fact, of course, is generally true of all initiatives, which require closer scrutiny by the voters than other measures which have reached the ballot by legislative processes.

The proposed amendment increases the salaries of hydrantmen-gatemmen by \$900 annually, to \$3,780 entrance and \$4,500 maximum salary. At present the salaries of hydrantmen-gatemmen are regulated by salary standardization. The measure provides that time worked in excess of 120 hours would be counted as overtime for which equivalent time off or additional pay would be provided. Another provision would write into the Charter an annual vacation of ten working days (two calendar weeks at present) after one year's service and fifteen working days after five years' service. This is similar to the vacation allowance approved for city employees in 1949. It would provide for the same holidays granted other city employees. The measure would also fix the maximum work week for hydrantmen-gatemmen at 40 hours. These employees install and make repairs to pipe lines, meters, fire hydrants, cisterns, valves, etc., and are not part of the uniformed fire fighting forces.

The proposed salaries for firemen providing for an increase of \$420 annually are not in accord with prevailing pay schedules for such services elsewhere. This is indicated by the comparative salary data for fire departments in the twenty-seven largest cities in the United States, as compiled by the International City Managers Association in January of this year. This tabulation, which has been included herein, shows that the current salaries of firemen in San Francisco are exceeded only by three other cities, all larger than San Francisco. Cities of the same class (500,000 to 1,000,000 population) pay salaries less than those paid in San Francisco. The salaries paid in Bay Region cities generally are the same as those now paid in San Francisco.

**Salaries and Hours of Work for Police and Fire
Departments in Cities Over 250,000**

City	Salaries of Patrolmen and Firemen		Police Hours Per Week	Fire Hours Per Week
	Entrance	Maximum		
New York, N. Y.....	\$3,150	\$4,150	45.8	45.8
Chicago, Ill.	3,012	3,480	48	67
Philadelphia, Pa.	3,024	3,424	48	48
Los Angeles, Calif.....	3,480	4,080	40	61
Detroit, Mich.	3,257	3,971*	63
Boston, Mass.	2,800	3,300	48	48
Buffalo, N. Y.	2,800	3,300	48	60
Cleveland, Ohio	2,844	3,534(1)	44	72
Milwaukee, Wis.	3,364	3,724	48	72
St. Louis, Mo.	3,228	3,480(2)	51	67.2
SAN FRANCISCO	3,420	3,780	40	56
" " (proposed).....	(3,840	4,200)		
Washington, D. C.	3,077	3,755	51	72
Cincinnati, Ohio	3,003	3,532	48	72
Columbus, Ohio	2,784	2,976	40	56
Dallas, Texas	2,610	3,540	48	72
Denver, Colo.	3,212	3,450	48	84
Houston, Texas	2,880	3,600	48	72
Indianapolis, Ind.	2,400	3,000	48	72
Minneapolis, Minn.	3,084	3,564	40	60
Newark, N. J.	2,600	3,500	56
Oakland, Calif.	3,400	3,780(3)	40	72
Portland, Ore.	2,970	3,300	48	60
Providence, R. I.	2,652	2,990	48	68
Rochester, N. Y.....	2,900	3,000(4)	42	59
St. Paul, Minn.....	3,066	3,438	40	60
San Antonio, Tex.	2,445	3,240	48	72
Seattle, Wash.	3,120	3,360	46	48
Toledo, Ohio	2,800	3,170	48	56

(1) Fire Department salaries, \$2,919—\$3,396.

(2) " " " \$3,144—\$3,480.

(3) " " " \$3,420—\$3,780.

(4) " " " \$2,900—\$3,100.

*Five-day work week, usually eight hours per day.

Source: Data, which will appear in the 1950 *Municipal Year Book*, supplied by the International City Managers' Association.

The official argument in favor of this measure merely states that the firemen are requesting their first pay adjustment since 1947 (the last adjustment became effective on July 1, 1948); that the initiative was signed by 132,894 voters; that official United States Department of Labor statistics indicate the cost of living in San Francisco has substantially increased since 1947 and that in order to get the maximum protection the citizen and his family should vote "Yes" on Proposition F. Actually, the U. S. Bureau of Labor Statistics reports that the cost of living declined 2.9 per cent in 1949.

The firemen have had several salary increases, totalling \$1,380 per year, or an increase of 57 per cent, as an offset to the higher cost of living. Their hourly rate has advanced considerably more than 57 per cent because of a substantial cut in the number of hours worked per week. Many improvements in pension benefits, shorter hours, liberalized time off and overtime provisions have been voted by the electorate or granted by the Fire Commission in the past several years.

The Fire Department budget has risen to \$8,712,678 in the current year, including pension costs, which nearly doubles the amount of five years ago. The cost of this measure is estimated by the Controller at \$1,192,521 per year, including additional pension costs, or 11.4 cents per \$100 of assessed value tax rate increase.

Proposition G

Campaign Fund Statements

This Charter amendment would add a new section to the Charter (Sec. 174.1) which would require the submission of detailed statements of the monies collected for and expended from campaign funds in municipal elections for candidates, propositions, bond issues and all matters on the ballot.

This measure states that anyone "retaining or expending" any money in connection with any San Francisco municipal election "in the furtherance of the candidacy of any person for election to any office at such election or in support of or in opposition to any bond issue, charter amendment, declaration of policy or other matter submitted to the electors for their vote, shall file with the Registrar of Voters within ten days after such an election has been held, a statement of receipts and expenditures."

It would be the duty of the Board of Supervisors to enforce the provisions of this section by appropriate legislation. Persons failing to file a statement or filing false statements would be guilty of a misdemeanor, and the Board of Supervisors must provide a penalty.

The official argument in favor of Proposition "G" states that the people of California have recognized by law the desirability of such a law for state measures and candidates for state offices. It concludes that San Francisco

voters should be assured a similar safeguard for local elections.

The state law is not enforced, possibly due to failure to provide a penalty or a means for policing elections. Provision for enforcement of the state act before trying a new local law of greater scope would appear to be more practical.

Proposition G raises the question of enforcement. In order to make this section effective, an investigation would be necessary after each election; otherwise the law would be meaningless. The act states that it shall be the duty of the Board of Supervisors to enforce the provisions of the proposed section by appropriate legislation, which would mean the necessity of creating enforcement machinery. Policing elections would be a major problem, if the act were enforced, as there are usually a substantial number of candidates and propositions on the ballot.

The measure, in the Bureau's opinion, is discriminatory in that it provides for an exemption for expenditures and contributions up to \$20. This assures practical freedom from reporting contributions to municipal employees' groups, as most of their contributions in previous campaigns have been less than \$20 each. Under this limit they can raise substantial sums of money, as there are 19,000 city, county and school employees.

Proposition H

Police Salary Increases

This proposed charter amendment, which was ordered submitted at the request of the Police Officers Association, would increase salaries of all personnel in the Police Department by \$420 per year and would make the patrolman in this city the highest paid in any of the 27 largest cities in the United States. It would raise the salary of a policeman from \$3,840 in the first year to \$4,200 after four years. Policemen are now paid \$3,780 per year after four years.

The San Francisco police now are the highest paid among cities of the same class (500,000 to 1,000,000 population), and one of the four highest paid in the United States, as comparative salary schedules for other large cities indicate. A tabulation compiled by the International City Managers Association for January of this year is reproduced herein. Of the twenty-seven cities listed, only three, including New York with over 8,000,000 population, pay more than the present rate in San Francisco. One of the three cities, Detroit, pays a lower starting salary and only \$191 more at the maximum.

Police Department costs have increased at a tremendous rate in the past five years. The Department budget amounted to \$9,710,239, including pen-

sion contributions, for the current year. This compares with \$4,648,436 in 1944-45, only five years ago.

The Police Department work week has been reduced by eight hours, and pension benefits have been increased materially in the same period. At the present time, city contribution of taxes to the pension fund amounts to 26.85 per cent of the payroll, or \$2,250,000 in 1949-50. This represents 22.5 cents per \$100 of assessed value on the basis of the present assessment roll.

The policemen have received salary increases amounting to \$1,380 per year, or 57 per cent, to offset postwar rising prices and cost of living. On June 30, 1944 the top police rate was \$200 per month. In four raises, the last one going into effect on July 1, 1948, they were advanced to the present rate of \$285-\$315. The latter applies after four years.

The cost of living has decreased in the last year. The United States Bureau of Labor Statistics indicates that there has been a slight decrease, amounting to approximately 2.9 per cent in 1949. This is contrary to statements made in support of this proposal that the cost of living has increased.

If this salary increase is approved, San Francisco policemen would receive the highest maximum salaries in any of the 27 largest cities shown on the preceding table.

This measure would place *the minimum, or entrance salary above all but three maximum salaries paid in the twenty-seven largest cities in the nation.*

The proposal follows on the heels of a Charter amendment approved by the people last November, which was submitted at the request of the members of the Police Department and which reduced the work week to 40 hours. This action had the effect of increasing the pay for the time worked. The hourly rate was 96.1 cents on June 30, 1944. Today the hourly rate is \$1.81, or nearly double. Liberalized time off and overtime provisions, the three weeks' vacation and greatly increased pension benefits add substantially to the real hourly earnings of policemen.

The Controller estimates the cost of this measure as amounting to \$988,020 annually, including the additional cost of pension contributions. This represents a tax rate increase of 9.4 cents, the Controller states.

Proposition "I"

Salary Standardization Ordinance (Referendum)

The Citizens Committee for Tax Economy circulated petitions to give the voters an opportunity to pass on the salary standardization ordinance adopted by the Board of Supervisors. The supervisors in the ordinance applied flat percentage increases of 8 per cent for salaries of \$500 per month or less, and 6 per cent for salaries from \$500 to \$833 per month, with certain exceptions.

Of the total number of employees affected by the ordinance, 705 would receive increases proposed by the Civil Service Commission and the Finance Committee. The measure as finally approved would provide pay increases for 7,138 city employees on July 1, at a cost estimated by the City Controller to amount to \$2,160,582 annually.

The action of the Board of Supervisors largely disregarded the report on comparative salaries in major public jurisdictions in California, and the Civil Service Commission's recommended salary schedule based thereon. The Civil Service Commission proposed increases for 5,106 positions at a cost of \$853,850. This Bureau, in a report to the Board of Supervisors, pointed out that 25 of the larger classifications, comprising more than 3,000 employments would be paid rates in excess of most of the salaries paid in other governmental jurisdictions reported on by the Commission. Data on compensations paid in private employment in San Francisco were not included in the survey, due to the fact that an employee court suit would have forced the Commission to divulge the salaries paid by the private firms. More than half of the firms whose salary schedules had been secured for comparative purposes withdrew their data following the court action. Thus, these private schedules were not used in preparing the Commission's recommendations. However, information from the Employers Council and other sources indicated that the principal accomplishment would have been merely to justify with comparative salary data a few more rates.

The measure is discriminatory in that a group of employees, 697 in number, will not receive increases for the reason that they did not enter protests, and, therefore, there were no reports from the Commission concerning their salaries. Accordingly, the Board of Supervisors was forced to eliminate them from the final measure.

The ordinance as approved by the Supervisors does not conform to the Charter. The Charter requires that city compensations shall be "in accord with the generally prevailing rates of wages for like service and working conditions in private employment or in other comparable governmental organizations in the state." The Charter spells out the lengthy procedure required, upon which the Commission must recommend schedules of compensation. The Supervisors must order the survey and appropriate the necessary funds; the Commission must collect the necessary salary data from private employment and other governmental jurisdictions in the state. This data is then compiled in a report, and the Commission recommends schedules of compensation "solely on the basis of facts and data obtained in a comprehensive investigation and survey concerning wages paid in private employment for like service and working conditions or in other governmental organizations in this state." Public hearings must be held by the Commission

and the supervisors, and the schedules recommended by the Commission must be published once a week for two weeks in the official newspaper. In all of this detail set forth in the Charter, there is no reference to percentage increases.

Furthermore, if the supervisors are allowed to fix salaries without regard to the data on individual positions, they also may be selective and raise or lower classes (many of which are individual positions) on a discriminatory basis. It was this discrimination, which worked to the disadvantage of the non-political employee, that forced this Bureau to advocate salary standardization as long ago as 1924, when the first of these measures became law.

The ordinance proposes salaries that are out of line with current conditions. Examples of increases under the proposed salary measure are shown in the accompanying table.

Examples of Increases Under Salary Standardization

Classification	1943-44	1947-48	1949-50	Prop. "I"
Supt., Recreation	\$450-560	\$635	\$750	\$795
City Librarian	400-500	666.66	750	795
Chief Asst. Assessor	400-500	600	750	795
Chief Valuation Engineer.....	450-560	550-650	600-700	636-742
Confidential Secretary to Mayor.....	280-350	450	600	636
Chief Adult Probation Officer.....	300-375	550	600	636
Director of Zoo.....	280-350	480	600	636
Director of Property.....	500-625	650-780	700-833.33	742-883
City Architect	480-600	625-750	700-833.33	742-883
Chief Juvenile Probation Officer.....	350-435	700	800	848
Chief Asst. Controller.....	550-675	625-750	700-800	742-848
Director, Legion of Honor.....	400-500	660	750	833.33
Executive Secretary, Mayor.....	360-450	625	750	795
Chief, Dept. of Electricity.....	450-560	585-700	650-750	689-795
Tax Collector	400-500	550-660	650-750	689-795
Bookkeeper	165-200	210-260	240-300	259-324
General Clerk	140-180	185-230	200-250	216-270
Senior Clerk	180-210	230-290	250-310	270-335
Head Clerk	215-260	275-345	310-370	335-400
Calculating Machine Operator.....	140-180	185-230	200-250	216-270
Tabulating Machine Operator, IBM	165-190	200-250	220-270	238-292
General Clerk-Stenographer	140-180	185-230	200-250	216-270
Senior Clerk-Stenographer	180-210	230-290	250-310	270-335
Telephone Operator	140-180	185-230	190-240	205-259
General Clerk-Typist	140-180	185-230	200-250	216-270
Senior Clerk-Typist	180-210	230-290	250-310	270-335
Janitress	125-155	155-195	180-220	194-238
Janitor	140-170	170-210	190-230	205-248
Working Foreman Janitor	170-210	210-245	230-270	248-292
Elevator Operator	135-165	165-205	180-220	194-238
Porter	110-135	140-175	170-210	184-227
Orderly	115-145	150-190	180-220	194-238
Gardener	140-165	180-220	200-240	216-259
Registered Nurse	140-170	200-240	230-270	248-292
Playground Director	165-200	210-260	250-300	270-324
Probation Officer	190-230	250-310	300-360	324-389
Social Service Worker.....	165-200	215-265	250-300	270-324

STATE PROPOSITIONS

Proposition 1

\$100,000,000 Veterans' Farm and Home Bonds

This amendment is presented to provide further aid to veterans in the purchase of homes and farms, and approval by the voters would authorize the issuance and sale of an additional \$100,000,000 in state bonds.

The measure is similar to the bond issue which was approved in 1946 for an identical amount. The funds made available at that time are stated to be about exhausted; hence the need for more bond funds.

Bonds issued would be general obligations of the state, and the act appropriates from the general fund the monies necessary for payment on the bonds. Provision is also made that bond maturity dates be fixed so that they will coincide, insofar as possible, with the revenues which will come from the veterans' purchasing homes and farms. Payments by the veterans on their contracts are deposited in a special fund from which monies are taken and transferred to the general fund to meet the bond payments. If the special fund cannot meet bond payments when due, the balance must be transferred to the general fund when it is available, with interest added from the date specified for payment.

Veterans who qualify under the act are eligible to receive 20-year loans repayable with 3 per cent interest. Interest rates can be revised by the Department of Veterans' Affairs if necessary. Maximum loans are \$7,500 on homes and \$13,500 for farms. Since 1921 a total of \$210,000,000 in bonds has been approved by the voters. No deficits have occurred, and there is reported to be a \$4,000,000 reserve for contingencies.

No official argument has been submitted opposing this large bond issue. The program has worked successfully in the past, and 36,500 homes have been purchased on terms which were attractive to California veterans. A strong argument in favor of the proposal is the fact that a soundly conceived home-ownership program is a substitute for a veterans' bonus. Bonuses, which are outright grants without lasting benefits in most instances, have been provided by many of the states.

The state's home-loan program for veterans is more desirable than the Federal financing for some veterans, because of the lower interest rates.

An argument which might be raised against approval of more bonds for veterans' loans is that fact that veterans and their families constitute such a large proportion of the population that state lending will become a threat to private lending agencies. However, private lending agencies actually serve the larger number of veterans who obtain Federal loans, and the government guarantees the loan.

Proposition 2

Veterans' Possessory Interests (State Home Loan Tax Exemption)

Proposition No. 2 would empower the state legislature to determine the extent of tax exemption for veterans purchasing homes and farms with state loans. Title to property acquired with these loans remains with the state, and until 1948 local assessors taxed only the veterans' equity in the property. The State Supreme Court in 1948 ruled this practice invalid, in that the Constitution in Section 1, Article XIII requires that property shall be taxed in proportion to its value. Approval of this amendment would make legislation passed in 1949 effective, which provides for a return to the system whereby the veteran pays taxes only on that portion of the property which he owns.

The constitutional amendment is so worded as to give an impression that it is not a tax exemption. It states, in part, that the interest of a veteran in real property purchased from the state "shall not be exempt from taxation, except as the Legislature may provide." The Legislature has already provided the exemption, which would become effective with approval of this amendment. The veterans' possessory interest in the real estate would be the following percentages of the cash value during the periods indicated: 30 per cent during the first quarter period of the life of the contract; 45 per cent during the second quarter period; 65 per cent during the third quarter period; and 85 per cent during the fourth quarter period. If this statute remained effective following passage of Proposition No. 2, it is clear that it would constitute a sizeable tax exemption for veterans purchasing property with state loans.

This exemption is in addition to the exemption of \$1,000 in assessed value available to veterans. For long periods, homes purchased on 20-year contracts would be completely exempt from taxes.

While it is true that the type of exemption this measure would provide was enjoyed by veterans buying homes with state loans from 1921 to 1948, this does not justify the renewal of the privilege. Veterans who are using their federal home purchase privileges do not have this exemption, and must pay taxes on the full value of the property, less the \$1,000 exemption. This amendment would provide special benefits to the relatively small number of veterans with state home loans, and would increase the burden of local taxation for the rest of the community.

Proposition 3

Financing of Off-Street Parking (Pledging Meter Revenues)

Cities and other public bodies would be authorized to pledge parking meter income as security for revenue bonds issued for off-street parking facilities

with the approval of this amendment. The change would add Section 18¼ to Article XI of the Constitution. The public bodies referred to include cities, counties, city and county, parking authority, district or "other public body." Any of these which is empowered by state law or by charter to acquire or construct automotive parking facilities and to issue revenue bonds is covered by the amendment.

San Francisco parking meter revenues that are now used to pay operating and service costs on meters (about 50 per cent of the revenue) and the balance (about \$350,000 in 1950-51 from 10,000 meters) goes into the general fund and aids the taxpayer to that extent to pay city expenses.

The newly created San Francisco Parking Authority probably would require authorization by the Board of Supervisors to pledge parking meter income as security for the repayment of revenue bonds, as the Authority does not now control parking meters. The act is not clear as to what is meant by income, so that all revenue may possibly be involved. The Parking Authority now has \$5,000,000 in general obligation bonds, which the Authority may use.

The severity of the downtown parking and traffic congestion problem is universally recognized, but the shortcomings of this type of financing as a solution must be considered. The Parking Authority claims it has the authority to issue revenue bonds without a vote of the people. These bonds are more costly in terms of interest than general obligation bonds. This act would facilitate the issuance of revenue bonds.

Parking meter rates are set on the theory that meters are primarily for traffic regulation and control, and revenue for the city is more or less incidental, like traffic fines. The use of this revenue for financing off-street parking facilities would change the concept of meter operation. Meter charges could be increased in the event that debt charges could not be met at present levels.

Money collected from parking meters now goes into the general fund in this city, where it helps defray the costs of law enforcement. If these funds are diverted, the loss of revenue must be borne by the property taxpayer. It would be, in effect, an indirect pledge of tax money.

The official argument in favor of this proposal states that parking meters are installed to regulate traffic under the police power. Cities cannot bargain away the police power, it states, and yet it will be necessary to execute some long-term contracts because parking meter revenue, once pledged, must be assured for a given period of time in order to make possible a marketable revenue bond. The argument concludes that this measure will make it possible for cities to start construction of badly needed parking facilities within a few months.

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Ballot Propositions

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San Francisco Bureau of Governmental Research

"A non-partisan citizens' agency to cooperate with officials and work for economy and efficiency in municipal affairs."

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STATE PROPOSITIONS

Proposition No. 1

Prohibits Taxes on Personal Property (Initiative)

SUMMARY: This measure would prohibit taxes on personal property. It is estimated that the loss of tax revenue which city, county, school and other local agencies would suffer would exceed \$191,000,000 annually. Estimates show that the San Francisco property tax rate would increase \$2.13 on each \$100 of assessed property if real estate were required to make up the loss. Proponents contend that enactment of this measure would attract industry. The exemption would narrow the tax base unnecessarily, greatly increase the burden on real estate and seriously restrict the bonding capacity of many political subdivisions. Changing the Constitution is not necessary, as the Legislature now has the power to amend the laws affecting personal property taxes.

* * * * *

This is an initiative constitutional amendment originating in Southern California that would add Section 1 $\frac{3}{4}$ a to Article XIII of the Constitution, prohibiting the State and all political subdivisions therein from imposing taxes upon both tangible and intangible personal property. The text follows:

"Notwithstanding any provision in this constitution, or of any other general, special or local law to the contrary, no tax shall be levied, assessed or collected by the State of California, or any political subdivision thereof, upon personal property, whether tangible or intangible, for any state or local purposes; provided, however, that nothing herein contained shall be interpreted as having any effect upon any estate, inheritance, income or excise tax law of the State of California, or the United States of America."

The amendment is expected to become effective five days after the official declaration of the vote by the Secretary of State, as provided by the Constitution, Article IV, Section 1. This may affect the collection of personal property taxes in the current fiscal year.

Owners of real estate and improvements, particularly home owners of the state, would bear the largest share of the taxes needed to make up the loss of revenue under Proposition No. 1. Assuming that the tax was not replaced by some other tax, such as a license or business tax, the principal beneficiaries would be out-of-state firms with little or no taxable property in this state except personal property. Goods in storage, merchandise and other personal property require such municipal services as police and fire protection, for which no direct payment would be made under this measure.

Revenues of Local Agencies Greatly Reduced

The effect of this measure would be to reduce assessed values of counties by \$2,742,000,000, or approximately 21 per cent of the taxable property. Estimates of the tax losses cities, counties, school and other districts would

suffer amount to \$191,000,000. The loss of \$8,000,000 in revenue by the state is also anticipated. Local agencies face possible loss of \$44,200,000 of "in lieu" automobile taxes now collected by the state and paid to local agencies. Local governments will lose \$2,200,000 in taxes on intangible personal property and \$144,600,000 in taxes on tangible personal property, testimony at the June 15th public hearing of the State Senate Committee on Finance and Taxation in Los Angeles on this subject disclosed.

Forecast \$2.13 San Francisco Tax Rate Increase

If this amendment were in effect in 1950-51, San Francisco City and County revenues would be reduced approximately \$17,829,000. The City and County would have an estimated loss of tax revenue of \$13,305,000 with the 1950-51 tax rate. Loss of \$4,523,950 of "in lieu" automobile taxes returned to the City and County by the state can be anticipated. The San Francisco assessment roll would be reduced by \$717,538,000 if Proposition No. 1 is adopted, leaving \$840,375,000 taxable at the City and County rate.

Productive tax sources would be necessary to make up lost revenue. Most productive are income or payroll taxes, increases in the sales tax, an occupancy tax on hotel and apartment dwellers, utility taxes and amusement taxes. Failure on the part of local legislative bodies to agree on new sources of revenue would end in a 34 per cent increase in the real property tax rate, or \$2.13 per \$100 of assessed value, if the full effects of Proposition No. 1 are realized.

Advocates Claim Tax Abolition Will Aid Business

Arguments advanced in support of the proposal include the statement that the personal property tax is an unequal burden on business, having no relation to profits, income or sales. Some businesses do not find it necessary to maintain large stocks on hand as part of their normal operations, whereas it is essential in the case of others. It is claimed that removal of the tax would stimulate business, and that manufacturing plants would be attracted to the state. The tax was abolished by the State of New York in 1932. Comparison of the growth of Los Angeles and New York City in terms of population and payrolls during the last ten years shows that the ten-year percentage increase in Los Angeles exceeds that of New York City.

Bonded Debt Limits Impaired

The reduction of assessment rolls of local governments would greatly curtail the bonded debt limits and thereby impair the ability of many school districts and other public jurisdictions to meet necessary expansion of facilities required in growing communities. In San Francisco the effect would be to reduce the bonded debt limit by \$84,371,000, or 45 per cent. The sale of currently authorized bond issues to continue or complete construction projects now underway would cease until the debt limit is increased by retirements, as the adoption of Proposition No. 1 would wipe out the current margin for new debt. The San Francisco Charter provides that the bonded debt limit shall

not exceed 12 per cent of the real and personal property on the assessment roll taxable for local purposes. Bonds voted for the construction and development of water supply and distribution projects are excluded from the 12 per cent limit.

Constitutional Amendment Unnecessary

A constitutional amendment is unnecessary, as the State Legislature now has the power to amend or abolish personal property taxes. An argument used against the personal property tax is that there are inequalities in levying this tax. These can be corrected by citizen demands for improved administrative practices on the part of assessors and by legislative action.

Adoption of this measure would unnecessarily decrease the number of taxpayers directly affected by the property tax, and further increase the amount of property exempt from taxation. It is an inflexible tax proposal that cannot be modified to meet the diversified conditions found in California without a vote of the people, even though government or schools may be seriously crippled and property taxpayers overburdened.

Proposition No. 2

Prohibits Naming Persons to Office by Amendments or Laws

Individuals could no longer be named to hold an office by constitutional amendment or law, whether proposed by initiative or the Legislature, if this measure is approved by the voters. The proposal results from the recent instance in which the State Director of Social Welfare was named in an initiative to occupy the office, rather than making the position appointive by the Governor or Welfare Commission. Similarly, Proposition No. 6 on this November ballot names the five members of the commission which would control legalized gambling.

The voters should be allowed to select officeholders in a competitive election. It is not the function of the Constitution to designate by name an individual to hold office. An opponent of the measure believes the voters would lose an important right under the initiative by adoption of this measure. This argument confuses the legislative processes with the election or appointment of officials. The issues involved in constitutional amendments or laws should not be combined with the candidacies of individuals and their qualifications for office.

Proposition No. 3

Inferior Court Reorganization

This amendment provides for a basic reorganization of courts in California below the jurisdiction of the Superior Court. These courts, referred to as inferior, now number 768 throughout the state. They fall into eight distinct categories: two kinds of municipal courts, two kinds of police courts, city

courts, city justices' courts and two kinds of township justice-of-the-peace courts.

Approval of the amendment would result in there being only two types of courts below the Superior Court—municipal and justice courts. The counties would be divided into judicial districts, with a single court in each district. Districts with a population of over 40,000 would have a municipal court, and districts with a smaller population would have a justice court.

Municipal courts in San Francisco and Los Angeles would continue in their present status. All other inferior courts would be superseded by the new courts. Municipal courts established would be like those now operating in San Francisco and Los Angeles—their jurisdiction limited to civil cases up to \$3,000 and misdemeanors. Municipal court judges would serve six-year terms, and generally would be required to have been admitted to practice law for five years.

Justice courts would have jurisdiction of civil cases up to \$500, and "low-grade" misdemeanors. Judges would be elected for six-year terms; and, with the exception of incumbents, would either have to be attorneys or have passed a qualifying examination. Salaries of judges in justice courts would be set by the supervisors, subject to a minimum fixed by the Legislature.

The proposed reorganization of the lower courts originated with a request of the 1947 Legislature that the Judicial Council make a study and submit a plan for reorganization. The 1949 Legislature submitted this constitutional amendment to the voters, and passed supplementary legislation which will become effective if the amendment is approved.

The amendment presents the voters with an opportunity to simplify the lower court organization and to end existing duplication and confusion. At present several different kinds of courts, with separate staffs and courtrooms, often serve the same place and handle the same class of case. It is asserted that the changes would result in savings to the taxpayers. Proponents include the Judicial Council, the County Supervisors Association, the Justices' and Constables' Association, the California State Bar and other organizations.

Proposition No. 4

Eligibility to Vote

This is an Assembly constitutional amendment amending Section 1 of Article II to provide that a registered voter in any county in California moving to another county within 90 days prior to an election will be permitted to vote in the county from which he moved until after such election. Such a change in residence between counties now results in the citizen's losing the right to vote in either county. Any person registered as an elector in one precinct and moving to another precinct in the same county within 54 days prior to an election may vote in the precinct from which he moved, according to the present law.

Proposition No. 5

Legislators to Serve on Boards or Commissions

Members of the Senate and Assembly would be eligible under this amendment to serve on boards or commissions created to allocate or apportion funds to other state or local agencies. Legislators may now only meet and advise with such boards, and are prohibited from becoming members by Section 19 of Article IV, which this proposition would amend.

Several boards have been established in recent years with the principal function of allocating state monies. The State Allocation Board, which allocates construction funds to cities, counties and schools, is an example.

Proponents state that the question of separate powers of the legislative and executive branches of government is not involved. Service on the boards or commissions, it is stated, would be concerned only with allocation of state monies, which is closely related to the legislative function. The actual expenditures would be administered by the executive branch. While there does not appear to be any official opposition to the amendment, there are a number of points to be considered in voting upon such an amendment. The need for legislators to have legal membership on these boards has not been demonstrated; the qualifications of legislators for such service have not been determined and the absence of a statewide viewpoint on the part of men elected from small geographical areas could be a handicap.

Proposition No. 6

Legalizing and Licensing Gambling (Initiative)

SUMMARY: This proposition would grant authority to a five-man commission to license all forms of gambling in all parts of the state. Communities would have no power either to prevent or restrain gambling in their midst, but they would be required to pay the cost of policing and other community services rendered. Operators would be exempt from other forms of state and local taxes, including license and income taxes. The five men named to the commission are the sponsors of this initiative. The act would permit them either to license gambling or operate such establishments or devices themselves. Purportedly for the benefit of the needy aged of the state, not a single additional benefit is provided by the act.

* * * * *

Adoption of this proposition would open the State of California to all forms of gambling licensed by and under the absolute control of a commission of five men who are named in the act. This program is proposed under the guise of aiding the needy aged of the state. The act, however, does not deal with the aged aid program, except to provide that the receipts from gambling

be placed in a pension fund. There are no changes in benefits, amount of pensions, or qualifications required to secure pensions.

The five men named in the act to administer gambling in the state are as follows: Nathan T. Porter, Cliff Kallam, Glen S. Wilson, Willis Allen and Roy G. Owens. All except Kallam are from Southern California. These men allegedly were connected with the "Ham n' Eggs" initiatives and similar movements prior to World War II.

Commission May Operate as Well as License Gambling Places

Among the more significant provisions is Section 11 of the act. This section reads as follows: "The commission may in its discretion operate or license gaming, lotteries, raffles and machines, devices or things pertaining thereto under the same or essentially similar fees, conditions, rules and regulations that apply to games and wagering for which licenses are herein prescribed; . . ." Under the terms of this section, the five-man commission would be empowered to operate lotteries or gaming establishments on the same basis and with the same fees as licensees. Under Section 9 it provides for four classes of licensees, with a division of the percentage to be withheld for the State and the licensee. A class "A" licensee would withhold 13 cents out of each dollar wagered, with 5 cents going to the State pension fund and 8 cents to the operator. Slot machine profits would be split one-third to each of the following: the State, the operator and the owner of the property where situated.

There is no prohibition in the act preventing members of the commission from granting themselves licenses to operate gaming or bookie establishments, horse racing tracks or lotteries.

The act further provides that general fund money in an amount not to exceed \$6,000,000 is appropriated for the commission's preliminary and organizational costs, which shall be repaid out of the pension fund within two years. Fees from racing establishments, as they existed on January 1, 1949 would not be subject to the terms of the act. The commission is, however, empowered to open as many horse racing parks as it wishes, operate every day in the year (including Sundays), license bookies and generally control horse racing, except for the nominal control to be exercised by the California Horse Racing Board over existing establishments.

Communities Could Not Prevent Gambling

The only provision relative to locations of gambling establishments is in Section 8, where it states that no licenses shall be granted to operate in any other than business zones or less than 600 feet removed from any church or school.

Cities and towns would have no power to regulate or control the location or the right to operate in a community. This power is reserved to the commission. The wishes of the community could be disregarded. No provision is

made for the cost of municipal services, such as policing the establishments licensed by the commission, which would be borne by the local agencies.

Gamblers Exempt from Local and State Taxes

The proposed amendment, in Section 10, specifically exempts the licensees from the payment of any taxes, fees, licenses or permits to any city, county, state or political subdivision of any kind. As this is an amendment to the Constitution, and as such cannot be amended by the Legislature, it is likely that the licensees would escape payment of income, property and any other taxes now paid by other businesses.

An Abuse of the Initiative Powers

Passage of this measure would attract such undesirable elements as gamblers and gangsters to the state. It is not in the public interest or of benefit to the aged pensioners. This proposition is high on the list of abuses of the initiative, and one of the most dangerous ever to be presented to the people.

Proposition No. 7

Chiropractors' Amendment of Initiative

Under terms of this amendment, no blind person would be denied admission to or graduation from chiropractic schools or be barred from state chiropractic examination or license on the ground that he is blind. This is a regulatory measure amending the Chiropractic Initiative of 1922. The Board of Chiropractic Examiners now requires at least 50 per cent vision of students and licensees.

Proposition No. 8

Compensation of Local Officers

This constitutional amendment, which was submitted by the Assembly, would amend Section 5 of Article XI of the Constitution to permit the Legislature to increase the compensation of officers of cities, counties and townships by deleting the provision in the present law that prohibits such increase after his election or during his term of office. The proposed legislation also strikes out the wartime provision that the Legislature, by a two-thirds vote of each house, may suspend the provision prohibiting salary increases during the official's term of office or during a period in which the United States is at war.

The amendment would add the provision that all acts of the 1949 legislative session fixing the compensation of county officers are validated, and that such compensation shall be paid from the effective date of this amendment and until changed by the Legislature.

The amendment would probably have the undesirable effect of the elective officers' attempting to influence legislators to increase their compensations during their term of office. Assemblyman George Collins of San Francisco has expressed a similar viewpoint in opposition to the amendment.

Proposition No. 9

State Civil Service

This constitutional amendment would revise the state civil service law relative to exempt positions and temporary appointments. Added to the exempt category would be officers and employees of district agricultural associations employed less than six months in any one calendar year and part-time stewards and veterinarians of the California Horse Racing Board.

The amendment of Article XXIV would also prohibit the Legislature from reviving an optional exemption from state civil service after once abolishing the exemption. The Legislature has power to include in civil service certain of the positions exempt under Article XXIV. The effect of this amendment would be to prohibit the Legislature from exempting such positions after they have been made civil service. However, the Legislature may provide that any state officer so included in civil service may be appointed by the Governor and thus exempted.

Temporary appointments would be affected in three respects. Persons would be appointed to temporary positions from "re-employment lists" rather than "eligible lists," which would include a broader group. Positions in civil service could be filled by temporary appointment for a period longer than six months; at present, temporary appointments for a given position are limited to six months. The period over which an individual could occupy a temporary position would be extended from six months to nine months out of any consecutive twelve months by the amendment.

The change relating to exempting temporary and part-time positions for agricultural fairs and racing is based upon the difficulty of maintaining regular civil service eligibility lists for this type of employment. The extension of temporary appointments from six to nine months is asserted to be necessary because it is difficult to provide civil service eligibles within the present six months' time limit. No official argument against passage of the amendment has been presented.

Proposition No. 10

Requiring Elections to Establish Public Housing Projects (Initiative)

Approval by a majority of the electors in any city, town or county would be required by this constitutional amendment before any low-rent housing project could be developed, constructed or acquired. The initiative, which proposes to add Article XXXIV to the Constitution, does not apply to present public housing or proposed projects on which there are contracts between housing authorities and the federal government.

The act would revise the present situation, in which it is not possible for a community to refer the question of additional housing projects to the elec-

torate as a legal referendum. The activities of housing authorities have been held to be administrative acts not subject to referendum.

Vote on Housing Projects Not Favored by Opponents

Opponents of the measure believe that this is an attack upon public housing, and that the required elections are unnecessary, because the elected representatives of the people now pass upon public housing projects. Public low rent housing is now acted upon by the local legislative bodies when the local housing authorities apply to the federal government for a loan and when co-operative agreements between the authority and the local government are considered. The expense of special elections and campaign expenses have also been cited in opposition to the proposal.

Act Limited to Housing for Low Income Group

The proposed legislation defines the type of housing the act is intended to cover, as follows: "For the purposes of this Article the term 'low rent housing project' shall mean any development composed of urban or rural dwellings, apartments or other living accommodations for *persons of low income* (the italics are ours) . . . " A reasonable interpretation of this provision would be that it is intended to cover projects limited to persons of low income. Some opponents of the measure have pointed to housing for war workers as being included in the scope of the act.

Temporary housing for war workers in the last war was constructed by the federal government, and did not have income ceilings, which the permanent low-rent housing for low-income families has. This condition continues today, and the local housing authority merely acts as agent for the federal government in collecting rents. For permanent low-rent housing projects in San Francisco eligibility is limited to families with low incomes. For example, a family of four is limited to an income of \$2,460 per year. There are additional allowances of \$100 for each minor child and for union dues, uniforms, etc. The lowest income ceiling, for two persons, is \$2,160, and the highest allowed, which is for families of six or more, is \$2,990 per year plus allowances. It appears clear from these income limits that projects for highly paid war workers, and emergency housing in case of disaster, which should have no income limitations, would not come within the scope of Proposition 10.

Statements by the opposition that the act might impede development of almshouses, county poor farms, protective homes for non-delinquent juveniles and convalescent homes for poor or indigent sick and state institutions simply are not in accord with any reasonable interpretation of the act.

Arguments Advanced for Adoption

Proponents of the measure believe that residents of a community, as taxpayers and citizens, should vote upon new public housing projects. They point out that taxes are paid to the federal government to support the projects, and

local taxes are paid because of tax exemption and demolition of old housing. It is contended that major public improvements financed by bond issues require the approval of two-thirds of the voters, and that housing projects, which involve large costs and affect the community, should also be voted upon.

The question the voters must determine is whether they want to extend the right of referendum to public housing on the grounds that it is a policy matter affecting all the citizens, or whether they believe this unnecessary and restrictive of public housing activities. The vast majority of legislative acts and matters of general public welfare are subject to direct legislative processes.

Proposition No. 11

Land Titles, Torrens Act (Amendment of Initiative Act)

The Torrens Land Title Registration Law, an initiative act adopted in 1914, would be amended by this proposition so that land registered under the act could be withdrawn and the title papers recorded in the county recorder's office. The change in registration would be optional with the owner; at present, land cannot be taken out from under the initiative act. Under the act, initial registrations require a judicial determination and the issuance of a decree.

The Torrens Act is in effect a separate land registration system superimposed upon the usual recording procedure. Once land is registered under the act, it cannot be withdrawn, and all subsequent transactions must be registered as provided under the act. Only a very small proportion of the land in the state is registered under the Torrens system. In 1949 there were reported to be 221,491 parcels of land registered in 19 of the 58 counties. The remaining 39 counties had no land registered under the act.

Proponents of the amendment, who include the County Recorders' Association, point out that many of the registrations under the initiative are defective, and that they do not show all encumbrances. Lands withdrawn from the act, if the measure is approved, would come under the general recording laws. There is no official opposition to the amendment.

SAN FRANCISCO PROPOSITIONS

Proposition A

Police and Fire Salary Increase

Salaries for all ranks in the Police and Fire Departments would be raised by amounts ranging from \$60 to \$300 per year with the passage of this charter amendment. All officers and men with three years experience would enjoy the maximum increase of \$25 per month, and the entrance salary of \$285 for recruits would be raised to \$290. Other benefits which members of the Fire Department would receive include paid holidays now granted to other monthly employees, and pay for work on regular days off when assigned by the Commission.

This proposal revives the graduated pay plan based on length of service which was abandoned when the last raise was granted. It recognizes that recruits should not receive as much as experienced men. In June of this year the voters refused to approve a flat \$420 yearly increase, which would have given the Departments the highest entrance and maximum salaries in the nation. The present measure is the result of a compromise agreement between the San Francisco Municipal Conference, representing nine business and civic groups of the business community, and representatives of the men in the Departments.

Officer personnel in both departments would receive a uniform increase of \$300 annually. This would raise the Chiefs to \$10,980; the Deputy Chiefs to \$9,240; the police captains and lieutenants to \$6,360 and \$5,100 respectively; fire captains to \$5,100 and fire lieutenants to \$4,740.

A comparison with other California cities of the current and proposed rates follows. It should be noted that the new range for San Francisco would be identical with that now paid in Los Angeles.

Salaries and Hours of Work in California Police and Fire Departments

	<i>Police and Fire Salaries</i>		<i>Police</i>	<i>Fire</i>
	<i>Entrance</i>	<i>Maximum</i>	<i>Hours</i>	<i>Hours</i>
SAN FRANCISCO (proposed).....	\$3,480	\$4,080	40	56
Los Angeles	3,480	4,080	42	61
Burbank (effective 10/1/50).....	3,276	4,044	42	68
Glendale	3,204	3,996	44	67
Sacramento	3,192	3,840	44	72
Pasadena	3,174	3,810	40	72
Alameda	3,366	3,792	40	72
SAN FRANCISCO (present).....	3,420	3,780	40	56
Oakland	3,420	3,780	40	72
San Diego	3,000	3,732	44	72
Berkeley	3,396	3,720	40	72
Long Beach	2,928	3,660	40	68

The proposed new salary rates would be lower than New York, equal to Los Angeles, \$109 per year higher than Detroit and higher than rates prevailing in 25 cities of over 250,000 population.

Firemen would be granted all holidays allowed to other monthly employees, or they would be paid straight time if required to work or given equivalent time off. In the discretion of the Fire Commission, firemen could be asked to work their regular days off with provision for compensation or equal time off at another date.

The cost of this measure has been estimated at \$1,270,000 annually. The effective date would be July 1, 1951, and thus no funds would have to be supplied during the current fiscal year. The measure is a reasonable compromise, in that the policemen and firemen will be getting an adjustment at the time the miscellaneous city and county employees' new salary schedule will go into effect as the result of current salary standardization studies. Also, all of the undesirable features of the firemen's initiative proposition on the June 6th ballot have been deleted. It is a straight salary increase proposal, with equality provided between the two departments. In view of changed economic conditions since last spring and now and potential changes by July 1, 1951, the measure merits consideration.

Proposition B **Limited Tenure Appointments**

Proposition B would make possible the hiring of city employees on a limited tenure basis through informal and non-competitive tests. The amendment is requested by the Civil Service Commission because of the personnel shortages developing due to operation of selective service and defense activity, and also as a measure of fairness to those in the armed forces who cannot compete for entrance and promotional positions. This would reactivate on an improved basis World War II limited tenure.

The amendment authorizes the Board of Supervisors, by a two-thirds vote (8 votes) and on the recommendation of the Civil Service Commission, to put into effect the limited tenure charter provisions. This could be done only during an emergency declared by the President or Congress or while a law for compulsory military service or training is in effect, as at present.

Limited tenure appointees in the Municipal Railway would not receive credit for service after January 1, 1951 as seniority for runs on the Railway.

Limited tenure appointments were used and worked satisfactorily during World War II when personnel shortages were acute. This measure would allow such appointments for both entrance and promotive positions, and would be an improvement over the wartime section which was limited to entrance positions.

Proposition C **Office Hours**

This amendment of Charter Section 220 would allow the Board of Supervisors to close City and County offices on Saturday mornings.

Work schedules of city employees would be made more efficient with Sat-

urday closing. At present certain employees are given an afternoon off during the week and work as a skeleton crew on Saturday mornings when there is very little public business.

If the amendment is approved, the supervisors would adopt an ordinance providing for Saturday closing of City and County offices. It is expected that exceptions would be made for the busy periods in the Tax Collector's, Registrar of Voters' and other offices.

Proposition D

Leaves for Merchant Marine Officers

Licensed merchant marine officers in the city service would be eligible for extended leaves of absence for service on ships operated by or for the federal government under the terms of this amendment.

To be effective, the amendment requires that the Board of Supervisors, acting on the recommendation of the Civil Service Commission, adopt an ordinance allowing the leaves. The time when such legislation is permitted is limited to an emergency declared by the President or Congress, or while an act authorizing compulsory military service or training is in effect.

Proposition E

Retired Police Officers' Pensions

Proposition E, which would increase the pensions of 361 retired police officers, was defeated by the voters at the June 6th election. One desirable provision which was in the June 6th proposal has been removed; that is the change which would allow an officer eligible for retirement to continue on duty with the protection of a continuance to his widow if he died.

The two changes which remain in the amendment would (1) provide continuances to seven widows of officers who died between the election in 1948 and the effective date (July 1, 1949) of a liberalizing measure; and (2) provide pensions to officers retired before the effective date of this amendment and their survivors, based upon 50 per cent of the salaries currently paid for the rank these men held three years prior to retirement. Under this provision, for example, a man who retired for service as a patrolman with a \$100 pension would be increased to \$157.50, which is 50 per cent of the current patrolman's maximum; if both this measure and Proposition A on this ballot are approved, the allowance would be increased to \$170 per month next July.

The 361 officers and dependents affected are divided between those who retired under Section 168, which was effective from 1932 to 1945, and Section 168.1 that became effective in 1945. There are 113 under Sec. 168, and this is the group receiving the smaller allowances; there are 248 affected under 168.1.

Under Sec. 168 those retired for service now receive an average of \$114

monthly, and this would be increased to \$184 by the proposal. One officer's pension would be increased from \$216.96 to \$445 a month. Those being paid for disability average \$95, and this would become \$149. The disability group includes those with shorter service, some of whom retired for disability not connected with service at one-fourth pay (\$50 in most cases). This ordinary disability group brings the average down to \$95.

Men retired under Sec. 168.1 receive considerably more. The 129 out on service get \$154.98 on an average, and they would receive \$196.50 with the pension adjustment proposed. Those retired on disability now average \$132.51, which would be raised to \$168 by this measure.

The cost of the measure has been reported at \$2,389,000, based upon liquidation of non-reserve items over fifteen years. The annual cost on this basis has been reported by the Controller as \$203,492. If Proposition A (police-fire salary increase) and Proposition E are both approved by the voters, the cost would be increased by \$54,150 in the first year.

The important decision to be made on this proposal is the acceptance or rejection of the flexible retirement allowances related to current salaries. With the adoption of the present charter in 1932 the city abandoned the principle of adjusting pension allowances with changes in police and fire pay rates. If this discarded principle is extended to these retired police officers, it is likely that active police and firemen and eventually all other city employees would demand the same flexible allowances. The financial implications in this proposal are dangerous in that the city would have to make up the difference out of taxes, as it is impossible to provide for this flexibility on an actuarially sound basis.

Proposition F

Sale of Property

The Board of Supervisors would be empowered by this proposal to appropriate the proceeds from the sale of city property for capital improvements. However, proceeds from the sale of property acquired for the use of any utility, bond, special or trust fund would revert to such fund. The present Charter provision allows the supervisors either to purchase additional land for the department selling the property or, if not needed by the department, to buy real property for any City and County purpose.

As funds could not be accumulated from several utilities for the purpose of launching a new venture not authorized by the people, it is unlikely to result in any misuse of the authority granted by this measure.

Proposition G

Retirement of Displaced Railway Employees

Employees of the Municipal Railway who are displaced by the modernization program would be allowed to retire at age 50 with five years' minimum

service under provisions of this amendment. Retirement benefits would be computed on the basis of $12\frac{1}{3}$ per cent of average compensation for each year of service. For example, an operator with fifteen years' service would be entitled to 25 per cent of his average earnings under the amendment. If an individual under age 50 were separated because of the modernization program, he could elect either to receive a pension when he reached 50 or he could withdraw his accumulated contributions. Many of those affected are former Market Street Railway employees who have had only the minimum five years' service with the city proposed by this measure.

A person pensioned under this proposition who accepted a job would have his pension reduced, if his earnings when combined with the pension exceeded the compensation he received before retiring. This would serve to prevent these employees from receiving the full pension benefit while employed. Persons who re-enter city service from this group would be placed on the same retirement basis as other city employees.

The Board of Supervisors would be required to enact an ordinance to make the benefits of this measure effective, and thus this amendment is enabling legislation. As with other retirement ordinances, a three-fourths vote of the Board, or nine members, would probably be required for passage of the ordinance.

It is impossible at this time to determine the number of persons who may be affected, or the cost of this amendment. These facts will become known as the conversion of the Railway progresses and the number of employees who cannot operate the new equipment is known. At present, it would appear that between 100 and 150 persons will be displaced in the next nine months.

It is difficult to evaluate the merits of this proposal without an actuarial study. While these men will be replaced through no fault of their own, under existing provisions they could receive their retirement contributions and seek other employment.

This type of measure, while it may be forced by unusual conditions, has the undesirable feature from the citizens' standpoint that so little factual information is available. The amendment avoids the charter requirement that an actuarial survey of costs be made before measures changing retirement benefits are passed upon by the Board of Supervisors.

Proposition H

Residence of Employees

Proposition H would grant to city employees required to work more than 50 miles from San Francisco all of the employment rights of employees who are residents. The amendment is understood to apply particularly to workers on the Hetch Hetchy water system. Such employees, who were originally residents of the City and County and are required by their duties to live outside

San Francisco, would be placed on an equal footing with respect to civil service examinations and other local employee rights.

Proposition I

Declaration of Policy

Psychiatric Care at San Francisco Hospital

The voters are asked by this declaration of policy to express themselves on the question, "Shall the two unused floors of the Psychiatric Ward at San Francisco Hospital, originally designed for short-term care and treatment of mild cases of mental illness, be utilized for that purpose?"

If a majority of the electorate votes affirmatively on a declaration of policy, the Board of Supervisors is required to pass an ordinance placing the policy into effect. However, the opening of these wards is an administrative matter over which the supervisors have no power, and in this respect the measure appears defective. If this submission is approved, it will still remain discretionary with the Health Director, the Chief Administrative Officer and the Mayor whether the policy shall be carried out and in what manner, before the supervisors can act on the matter.

A proposal for the provision of short-term psychiatric treatment was contained in the requests for the current budget. The amount of \$72,000 recommended by the Chief Administrative Officer to open one of the wards was deleted by the Mayor following the advice of a medical committee he had appointed, which considered the amount inadequate and the care of mental cases a State responsibility. The Mayor agreed with the committee's objections. He considers this program a State responsibility, and has given his approval for the use of the facilities by the State Department of Mental Hygiene. The Mayor has requested State financial support for their operation. His proposal involves giving the two floors rent free to the State Department of Mental Hygiene, which would furnish personnel and operating expenses. This plan has been termed "entirely feasible" by spokesmen for the State department.

The Mayor's advisory committee, which recommended against opening the Psychiatric Ward this year, included the Deans of the University of California and Stanford Medical Schools. This group called attention to the "inevitable responsibility of the State Department of Mental Hygiene with the care of the mentally ill." One of its principal conclusions was that there would be less confusion in organization, administration and operation if the Department of Mental Hygiene, in close cooperation with the City and County of San Francisco, assumed responsibility for this care.

If the City and County were to undertake this program, it would lead to an expenditure of \$156,274 annually, according to a Department of Public Health estimate based on current costs. The policy declaration fails to specify whether the County or the State should provide the funds and operate the facilities.

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Ballot Propositions

San Francisco Bureau of Governmental Research

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San Francisco Bureau of Governmental Research

"A non-partisan citizens' agency to cooperate with officials and work for economy and efficiency in municipal affairs."

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SAN FRANCISCO PROPOSITIONS

Proposition A

Cost-of-Living Salary Adjustments, Police and Fire Departments

This amendment, advocated by personnel of the Police and Fire Departments, would eliminate the necessity for their appealing to the voters for salary increases by substituting therefor a cost-of-living adjustment plan based on the U. S. Bureau of Labor Statistics Consumers' Price Index for San Francisco. The Charter now fixes the rates of pay for all ranks of both departments, and requires a charter amendment whenever salaries are revised.

Increases and decreases would be based upon a three-point or more change in the BLS Consumers' Price Index for San Francisco as of March 15 of each year. Such changes would be limited to 10 per cent either way after July 1, 1952, and would be unlimited for the first adjustment. The base index number written into the act is 170, and the latest index figure is 188, indicating a 10.5 per cent increase to date. The measure sets up the basis for the increases by fixing the point values for the various ranks, with \$2.00 per point per month for the lowest ranks and up to \$3.73 per point per month for the two chiefs of the departments.

Proposition "A" does not conform to the Federal wage regulations. Under the Defense Production Act of 1950 the Economic Stabilization Agency has issued General Regulation No. 4, which orders as follows: Increases in the compensations of state, county and municipal employees may be made without the prior authorization of the Wage Stabilization Board, but they are expected "to conform to the national wage stabilization policy." Furthermore, this Board "reserves the right to review increases" and to "revoke or modify such increases." The General Wage Regulation No. 8 (Revised) provides that any cost-of-living provisions put into effect after January 25, 1951 must not exceed the subsequent percentage increase in an acceptable index dated on or after January 15, 1951. The increase to date in the cost-of-living index is perhaps 3 per cent since January, 1951. This proposition, which involves a 10.5 per cent increase (using the latest index figure reported), greatly exceeds the amount prescribed by the Federal regulation.

The initial adjustment would occur in July, 1952, and would be based on the cost-of-living index reported on March 15, 1952. The latest Consumers' Price Index is reported at 188. If this level continues until March of next year, the 18-point increase will be reflected under this proposed amendment in a salary increase of \$36 per month for firemen and policemen, with increasingly higher amounts for the officers of both departments. (These would range up to \$67.14 for the two chiefs.) Present annual salaries for both fire-

men and policemen are \$3,480 to \$4,080, the latter paid in the fourth year of service. The new scale, based on the June 15 cost of living, would be \$3,912 and \$4,512. The estimated total cost of such an increase would be \$1,959,330, including increased pension costs. The cost to the taxpayers depends upon the trend in the cost of living. The use of 170 as the base index from which to calculate increases guarantees that the cost will be high.

The effect of such an increase would be to provide both minimum and maximum salaries for San Francisco which would be higher than any of those now being paid among the larger cities in California and throughout the country. Maximum salaries currently being paid in typical cities of 500,000 population or over are as follows: Los Angeles, \$4,500; New York, \$4,400; Detroit, \$4,414; Cleveland, \$4,122; Chicago, \$3,900; Philadelphia, \$3,700; Pittsburgh, \$3,850 and Boston, \$3,560.

Salaries and Hours of Policemen and Firemen in Sixteen California Cities

City	Police-Fire Salaries		56 or Less Hrs. per Wk.	Over 56 Hrs. Per Wk.	40 Hrs. Per Wk.	Over 40 Hrs. Per Wk.
	Min.	Max.	Fire	Fire	Police	Police
Palo Alto	\$3,504	\$4,296		72	40	
Los Angeles	3,828	4,500		62		42
SAN FRANCISCO:						
Present	3,480	4,080	56		40	
Proposed	3,912	4,512				
Glendale	3,576	4,464		67		44
Pasadena	3,444	4,044		72	40	
Burbank	3,612	4,464		68		42
Alameda	3,678	4,146		72	40	
San Jose	3,186	4,092		70	40	
Sacramento	3,456	4,140		72		44
Richmond	3,780	3,960		63	40	
Oakland	3,720	4,080		72	40	
San Diego	3,468	4,116		72		44
Berkeley	3,672	4,020		72	40	
Fresno	3,528	4,092		72	40	
Long Beach	3,528	4,260		68	40	
Stockton	3,384	4,452		67		44

Milwaukee and St. Paul are the only large cities which have used adjustable cost-of-living plans. St. Paul instituted the cost-of-living adjustment for all classified employees in 1922. It is reported to have worked well for several years, with increases and decreases in salaries; however, the depression brought employee protests against reductions, and in 1938 a "standard of living" increase was granted which was not part of the plan. The five governmental units in the Milwaukee area, covering over 15,000 employees, have had poor

results with a cost-of-living salary scheme. Basic salaries have been changed frequently, the ceiling on increases and decreases was repealed and extra compensation was granted for deteriorated quality and lessened availability of consumer goods. Under this plan it was reported that between 1941 and 1948 the cost-of-living rose 63.3 per cent, and salaries were increased 69.1 per cent. Experience in these cities would seem to indicate that it is difficult for cost-of-living pay plans to withstand the pressures of changing conditions. The formula works while salaries are going up, but a demand is made for modification or abandonment when the cost of living drops.

The opposition to this measure is not that an increase should be denied the departments, but rather is directed towards the method used to achieve it. A definite amount written into this amendment would be preferable, as the people would know what they are voting for.

This proposition is not in accord with the wage stabilization regulations of the Economic Stabilization Agency or with national policy on inflation. Furthermore, the voters must consider the possible future application of this costly formula to other municipal employees. If applied to miscellaneous employees, for example, this payroll would be increased by over 10 per cent, based on the latest San Francisco Consumers' Price Index. (These employees had their salaries adjusted in accord with private and public employment earlier this year.) This would have the effect of forcing city salaries out of line with those paid in private employment in San Francisco and in public employment in the State of California. The cost to the taxpayers would be millions of dollars annually, depending upon the extent to which the formula was applied to the other 16,000 city, county and school employees.

Proposition B

Residence of Officers and Employees

Granting to City and County employees the privilege of residing outside San Francisco for health reasons would be transferred from the control of the Director of Public Health to the Retirement Board by this amendment. The amendment also provides that employees whose principal duties keep them employed outside the boundaries of the City and County would be permitted to establish residence in any county convenient to their place of occupation.

City employees whose principal employment is largely or wholly within San Francisco are required by the Charter to maintain their residence in this city unless they are authorized by the Director of Public Health to live elsewhere because of their health or that of a member of their family. The principal change which would occur with the approval of this amendment is that the Retirement Board would grant these authorizations, and could require

medical examinations and supplemental information. Whenever the Board considered the authorization no longer justified it could be terminated on sixty days' notice. Elective officers would be excluded from obtaining permission to live out of the city.

The object of the amendment is to check what some supervisors have considered abuses of the present procedure in granting permission to employees to live outside the City and County. At present a physician's certification of illness is required, which must be renewed every six months. There are approximately 300 employees now authorized to live outside the City and County for health reasons. These would be subject to review with approval of the measure. Some additional expense to the city would be involved in the medical examinations which the Retirement Board could conduct.

Proposition C

Emergency Appointments

The Civil Service Commission, which introduced this amendment, would be empowered to make emergency non-civil service appointments to positions for which immediate services are required, pending the time an eligible from a civil service list is available for duty. The ninety-day limitation on employments of a non-civil service character in any one year is retained by the measure.

The amendment proposes to restore to the Civil Service Commission rights which the Commission exercised until a municipal court judge rendered an opinion that the Charter requires the establishment of an emergency before a non-civil service appointment may be made, pending the certification of regular civil service eligible. In effect, this meant that either the Commission or the Secretary must determine in each instance the urgent or emergency nature of the employment. With thousands of employments affected, such determination is impossible by the central personnel agency, and the responsibility for requesting a non-civil service employment rightfully should be placed upon the department head. Many routine and necessary city functions must be carried on in the period of days or weeks it requires to obtain the services of a civil service eligible. An employee representative opposed the proposal before the Judiciary Committee, claiming that giving the officials administrative discretion would lead to abuses, and that the added authority was unnecessary.

The Civil Service Commission and the Personnel Director have stated that, if this measure is not approved, they will be compelled to limit non-civil service appointments because of possible legal actions against them.

Proposition D

Compensation of Members of Board of Education

Members of the Board of Education would receive \$100 per month rather than the \$15 per meeting they are paid at present, if amendment of Charter Section 134 is approved by the voters. Ten dollars a day is paid for committee work. The maximum compensation for the entire board is \$6,000 per year. The annual increased cost is \$2,400 under this amendment.

The amendment would place Board members on the same compensation basis as members of the Civil Service Commission, the Public Utilities Commission and the Police and Fire Commissions. Members of the Planning Commission, the Parking Authority and the Redevelopment Agency, on the other hand, are paid for meetings attended.

The question concerning greater incentive to attend meetings if paid on a per-meeting basis has been raised by a number of persons. Members of the boards of directors of corporations are generally paid on this basis.

Proposition E

Confidential Secretary for Superintendent of Schools

This amendment of Section 136 would permit the Superintendent of Schools to appoint a confidential secretary to serve at his pleasure. Two minor changes in obsolete language would also be effected.

Confidential secretaries are provided for a number of the city's principal officials, and no argument has been advanced against exempting this proposed position from civil service.

Proposition F

Deletion of Charter Sections 137, 138 and 139 Relating to the Board of Education

Proposition "F" would delete from the Charter sections 137, 138 and 139, which are concerned with Deputy Superintendents, Duties of Superintendent and the City Board of Examination. These three measures contain obsolete language no longer applicable, and in some respects are a duplication of the provisions in State school law. The Charter Revision Committee reviewed these sections and recommended to the Supervisors that they be removed from the Charter.

Proposition G

Supervisors' Salary Increase

The compensation of the eleven members of the Board of Supervisors would be increased from \$200 to \$400 per month by this amendment of Section 10 of the Charter. The Supervisors serve on a part-time basis. Duties and responsibilities have increased with the growth of the city and the concurrent growth of the budget and municipal services. The Board now has final responsibility for a budget of almost \$160,000,000; whereas, when the \$200 rate was fixed 40 years ago the City's expenses were one-fifth of the present total, and the City owned no public utilities, airport or street railway system.

Proponents of the proposal argue that an increased salary may have the effect of attracting a larger number of capable candidates for service on the Board. The time required for both official and ceremonial duties is such that it would seriously affect the earning powers of some professional and business men; thus it is difficult to attract such men to seek the office, especially the younger men.

A comparison of the present \$200 salary with that paid for similar legislative positions elsewhere shows that San Francisco pays next to the lowest salary among sixteen large cities and ten large California counties.

Salaries of councilmen with mayor-council governments in sixteen cities of over 500,000 population range from \$8,000 in Pittsburgh; \$7,500 in Philadelphia and New Orleans and \$7,000 in New York to \$5,000 in Chicago, Detroit, Boston and Cincinnati. The other seven cities pay under \$5,000. The median salary for councilmen in fifteen cities of 500,000 population or over is \$4,100 per year. The duties of legislative bodies and the time required to attend to these duties vary greatly between cities. San Francisco, with a strong-mayor government, provides the minimum of duties, as the Board is largely confined to legislative matters.

The increased cost of the measure would be \$26,400 annually for eleven supervisors.

Proposition H

Retirement Contributions of Employees on Military Leave

This amendment of Section 161 would provide for continuing the service and retirement credits for city employees absent on military leave. The two changes it would effect would be to re-define the conditions under which a person is absent on military leave so as to include the conflict in Korea and

other military actions. It would also increase the amount of base pay an individual could receive in military service and yet have his retirement contributions paid by the City and County.

The change in language to include undeclared wars and "police actions" as grounds for military leave is a realistic one in terms of the present state of international relations. The number of employees now on military leave totals 311, with 100 absent from the Police Department.

The City and County will make the retirement contributions for those city employees whose base pay in military service is \$250 per month or less. This is an increase from the \$100 limitation now in the Charter. Veterans' representatives proposed this increase on the grounds that the rise in the cost of living since the end of World War II made it necessary. Some other jurisdictions, such as Oakland and the State of California, have no such limitation and make the employees' contribution to retirement funds regardless of the amount of military pay.

An estimate of the number of persons that would be on leave for military service in the future would necessarily be based on conjecture. Based upon the present number of employees on leave, the Retirement System estimated the increased cost of the measure at \$77,219 annually. There is no opposition to this measure.

Proposition I

Retired Police Officers' Pensions

While this is primarily an amendment to adjust the retirement allowances of a group of retired police officers, there are three other changes in the police pension plan contained in the measure. First, seven widows whose husbands died before the effective date of a pension measure approved in 1948 would be entitled to one-half of the pension allowances. Second, survivors of policemen who die while in service after qualification for retirement would receive a death benefit or a continuing pension. Third, three jail matrons would be assured retirement benefits by a change in language which guarantees pensions to persons who complete less than twenty-five years of service upon reaching age 65.

The most important phase of the amendment deals with the adjustment in the pensions of some 340 retired police officers or their survivors. The average monthly increases in retirement allowances are shown on the accompanying table.

**Average Increases in Monthly Retirement Allowances for
Individuals Affected by Proposition "I"**

	<i>Number Affected</i>	<i>Present Avg. Allowance</i>	<i>Avg. Allowance After Change</i>	<i>Average Increase</i>
Retired Under Section 168				
Service Retirement....	36	\$112.43	\$159.30	\$46.87
Service Death Allowance	24	106.67	170.00	63.33
Non-Service Disability	13	57.68	96.27	38.59
Service Disability.....	40	104.57	164.27	59.70
Retired Under Section 168.1				
Service Retirement....	145	143.75	183.22	39.47
Service Death Allowance	12	120.92	173.56	52.64
Non-Service Disability	5	70.54	92.78	22.24
Service Disability	65	139.53	183.79	44.26
Total	340			
			Average Increase	
			All Categories....	\$45.88

Two earlier attempts to raise pensions for these veteran police officers by Charter amendment failed to secure the voters' approval. Opposition was based upon a provision that would have increased the pensions of the retired group whenever the active police had their salaries increased. This flexible pension system was objectionable because it was impossible to place it on an accurate actuarial basis, and this provision has been withdrawn from the present amendment.

A ceiling would be placed on pension adjustments, which would be tied to salaries in effect on July 1, 1951, and the increased contribution by the City and County would be definite. The increased annual cost reported by the Retirement System in its actuarial report is \$209,325. This amount assumes liquidation in a fifteen-year period.

The three other effects of the proposed amendment summarized above would provide adjustments of a desirable nature. The provision of a pension for the survivor of a policeman who remains in service after qualifying for retirement is in the City's benefit. The Fire Department now has this provision in its pension plan, and it gives an experienced man an inducement to stay in the service rather than retire at an early age. Under the present law the police officer eligible to retire must leave the service, or remain and face the prospect of leaving his widow with no pension if he dies in service from causes unrelated to duty. The pensions to the seven widows are a matter of fairness to individuals who have been deprived because of a technicality in the effective date of an earlier amendment; the total cost to the city would be \$79,055. The assurance of retirement allowances for the jail matrons merely clarifies doubtful language in the charter section.

The San Francisco Municipal Conference is opposed to this proposition. Opposition is based on the fact that raising pensions of retired persons makes the original contract valueless and places their financing on a charitable basis. Those hardship cases receiving low pensions should be aided by a flat contribution from the City and not under the guise of an amendment of the pension system. In 1949 an adjustment of \$25 a month was made in the allowances of a group of miscellaneous employees by a charter amendment which was unopposed. Twenty-five dollars was the maximum granted by that measure, and the average pension of half the group affected was less than \$75 per month.

Proposition J

Retirement of Director of Public Health

The Director of Public Health would be eligible for a retirement allowance of \$500 per month without additional contributions after attaining age 65, if this measure is approved by the voters. Specifically, the amendment provides that after twenty years' service and attainment of age 65 the occupant of this position "shall receive a minimum retirement allowance of Five Hundred Dollars (\$500.00) per month." No further contributions would be required after attaining age 65, and the compulsory retirement age would be 70.

Two years ago the voters defeated by a vote of 127,181 to 94,674 a pension proposal with the same provisions as the present measure. The principal objections are that this is a type of special legislation that could be extended to other individuals; that the occupant of the position is a member of the city's retirement system and that the terms of the measure are so drawn that they might not be applicable to a future director of public health. For example, if a man over 50 years of age were appointed without previous service with the city, he could not complete the specified twenty years' service before reaching the compulsory retirement age of 70 years.

The incumbent Health Director, under his present membership in the retirement system, would be entitled to receive a monthly allowance of \$177.94 if he retired next year. If he were to retire in 1955, when he would reach the compulsory retirement age, his allowance would be \$266.36 monthly. In the event this charter amendment is approved by the voters, the cost to the City and County would be \$38,867 if retirement occurred in 1952 and if retirement occurred in 1955 it is estimated by the City's Consulting Actuary that the City's additional cost would be \$20,353.

In support of the amendment attention has been called to the fine service which the Director of Public Health has rendered to the city. This is not disputed. However, there are many city officials who have performed their duties well and who have not received special treatment in their pension allowances.

Proposition K

Court Employees' Retirement

Employees and attaches of the Municipal and Superior Court who are not now members would be brought into the Retirement System by this amendment. Forty-nine employees are involved, and thirty-three of them are phonographic reporters. Phonographic reporters in the Superior Court could receive service credit retroactive to 1945, and those in the Municipal Court could obtain credit for service back to 1947. Sixteen other clerical employees in the Superior Court would be allowed service credit for retirement purposes as far back as 1922, when the Retirement System went into effect. All employees would be required to pay their normal contributions plus interest for prior service for which they received retirement credit.

The actuarial report submitted in connection with the amendment estimated the increased annual cost to the City and County at \$31,761.

Terms of this proposal appear to be fair to the City and County and to the employees concerned. This small group should be included in the retirement system, as they are considered to be County employees under a recent Supreme Court decision, and as such are not eligible for any other pension system. The method of payment of employee contributions for prior service is an improvement over numerous retirement measures wherein the City and County has been obliged to pay this substantial cost.

Proposition L

Police and Fire Disability Payments

Proposition "L" would amend Section 172 of the Charter to place administration of Police and Fire disability cases under the Retirement Board, and would provide a one-year limit to the period during which an injured employee could receive benefits equal to full salary. At present these cases are handled under sick-leave rules of the Police and Fire Commissions. Payments received by the individual would be in lieu of salary, and he would receive service credit for retirement purposes during the disability period. Retirement contributions would be deducted from the benefits.

The Retirement Board now administers industrial injury cases for all other city employees, and this measure would be a logical extension of its administration. The one-year limit is in accord with the limit under the State of California's retirement system. Any case of disability extending beyond a year would receive benefits in accord with the State Labor Code provisions. Cases of protracted disability would be placed under disability retirement.

The language of the measure provides that disability benefits shall be in lieu of benefits under the State Labor Code, so that the possibility of double benefits is prevented. There is no opposition to this measure.

Proposition M: Declaration of Policy

Addition of Chemicals to City Water to Prevent or Arrest Dental Decay

This declaration of policy asks the electorate to vote "yes" or "no" on the question: "Shall the City and County of San Francisco add chemicals to prevent or arrest dental decay to water furnished the people of San Francisco by the San Francisco Water Department?" A majority vote favoring a declaration of policy makes it the duty of the Board of Supervisors to put that policy into effect.

The proposal to add fluoride to the City's water originated in the Board of Supervisors. After a religious group protested against the ordinance, five members of the Board submitted the matter to the voters in this declaration of policy.

The Public Utilities Commission estimates that the capital cost for fluoridation would be \$85,000, and that the annual operating cost would be \$59,600.

Proposition N: Declaration of Policy

Parking Fines

A declaration of policy, "Shall the Board of Supervisors legislate respecting fines for violations of all parking regulations in its best discretion for the general welfare without restriction by any former declaration of policy?" was submitted by four members of the Board of Supervisors.

The background of this declaration lies in previous conflicting declarations of policy concerning the increasing and decreasing of automobile parking fines. This measure is the fourth in a series of policy declarations dealing with fines; the first was in 1946 when the voters indicated they would like \$5 fines reduced to \$2, upon submission of the question by four Supervisors. The two following submissions were attempts to raise the minimum fines to \$5. These were rejected by the voters in 1947 and 1949.

The effect of this policy declaration, if approved, would be to restore authority in the Board of Supervisors for the setting of minimum parking fines. This was the situation that prevailed before the question of reducing fines was presented in 1946. It would appear desirable to permit the exercise of discretion in the establishment of parking fines; many cities have found that nominal fines are paid by motorists as a parking charge, so that traffic and parking control are made almost impossible. Experience has demonstrated that a high minimum must be written into the traffic ordinance in order to make a higher fine effective. This proposal is in the interests of proper law enforcement. It would curb existing violations that impede the flow of traffic, such as double parking.

Proposition O

Amendment of Initiative Ordinance Requiring Two-Man Crews on Streetcars

This amendment of an initiative ordinance adopted in 1935 has been referred to the voters by the Board of Supervisors. Its adoption would grant the management of the Municipal Railway the right to operate one-man streetcars wherever they were found desirable on electric streetcar lines. It provides that the President's Conference Car (popularly known as the PCC streetcar) and any of the present streetcars which are remodelled for one-man operation could be used.

The ordinance now in effect requires that every streetcar shall be in charge of a motorman and conductor. The labor council and the carmen's union sponsored the initiative ordinance in 1935 to prevent the introduction of one-man cars on the Municipal Railway and to end their use by the Market Street Railway. The principal argument advanced for retention of two-man cars was that of greater safety. Dependability of one-man operation has been proved wherever used.

Since 1935 the situation has changed greatly. One-man operation has become almost universal in other cities. In this city trolley coaches and motor coaches have replaced all but six electric streetcar lines. Elimination of two of the four streetcar tracks on Market Street, and the virtual abandonment of electric streetcars as a form of transportation have removed the hazards of sixteen years ago. Furthermore, the unemployment existing in the 1930's is no longer a problem, and use of two men on each streetcar is a waste of needed manpower. Management has promised that no one will lose his job in the transition.

Full utilization of one-man cars by the railway system will accomplish an estimated saving of over \$800,000, according to Consultant Marmion D. Mills. He termed the present practice "featherbedding." Mills also stated that continuation of the Geary Street Railway lines is contingent upon the removal of the two-man crew restriction. The city has on order twenty-five standard, one-man type, PCC electric streetcars on which, if this measure is not approved by the voters, the use of two-man crews will be necessary.

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San Francisco and State

Ballot Propositions

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SAN FRANCISCO PROPOSITIONS

Proposition A

Limits Mayor to Two Successive Terms

This charter amendment would limit an individual to two consecutive terms in the office of Mayor, but would place no restriction upon his return to office after an intervening term.

The theory seems to be that under the present system an individual would be able to so entrench himself in office that it would be possible for him to get himself re-elected indefinitely. The measure is patterned after the federal constitutional amendment recently ratified by the states which limits the President to two terms of office.

In the last forty years San Francisco has had four mayors. One man was elected for five successive terms, one for three terms and one voluntarily retired after one term. The present incumbent, Mayor Elmer E. Robinson, has been elected twice. He is supporting this measure.

Under this limitation a mayor's effectiveness would be reduced in his second term, when it is certain that he cannot continue in office. Furthermore, it is asserted that it would prevent retention of a good mayor.

The question raised by this proposal is whether an incumbent can entrench himself in office to the extent that the voters are unable to remove him despite unfavorable public sentiment. Those favoring the amendment maintain that the advantages of being the incumbent make it possible for a person to perpetuate himself in office, regardless of what kind of record he has made.

Proposition B

Jury Service for City and County Employees

City and County employees could perform jury service in municipal, state or federal courts without loss of compensation if this amendment of Section 150 is approved. Under the terms of this measure the employee would receive his regular pay, exclusive of overtime or other premium pay, and the amount of jury fees received would be deducted. The latter provision is intended to remove any financial inducement to perform jury duty.

At the present time the Charter does not allow any payment for time not worked by City and County employees, with no exceptions. This has had the effect of barring these men and women from serving on juries because of the loss of income during the time absent from work.

Practices vary in private employment for compensation of personnel called for jury duty. The 1950 survey of office employments by the San Francisco Employers Council indicated that 236 firms had no definite policy as to pay-

ment, but that it was a discretionary matter with management; that 44 firms paid salary during such service and made no deduction for fees received; that 18 firms continued regular pay and deducted jury fees and that 29 firms did not pay the employee's salary during the period of jury service. There is no uniform practice regarding wage payments to per diem employees while on jury duty. The general contractors do not pay employees on jury duty. Although it is impossible to determine the cost in advance, it could amount to a substantial sum for replacements and lost time.

Proposition C

Butano Forest Purchase for Park Purposes (Policy Declaration)

Eight supervisors submitted this policy declaration asking the voters whether \$100,000 shall be included in the 1953-54 budget as a contribution towards the purchase of Butano Redwood Forest in San Mateo County for park purposes

Butano Forest is considered the largest tract of virgin redwood timber remaining in this part of the state. The property is in the hands of private owners at present, who, unless the area is purchased for park purposes, will begin logging operations.

The asking price of 1,040 acres involved in the first transaction is stated to be \$1,200,000. The Citizens Committee for Preservation of Butano Forest believes that this purchase price can be reduced to \$800,000 by negotiation or condemnation. To date San Mateo's contribution towards the purchase is \$360,000, made up of a park valued at \$310,000 by the state and \$50,000 in cash. Santa Clara County's contribution is a park valued at \$175,000 and an additional \$50,000. The contribution of Butano Associates totals \$52,000, which is matched by state funds. Thus, there is available \$689,000 towards the purchase price. If the voters approve this proposition, the City and County of San Francisco will contribute \$100,000 towards the purchase of the 1,040 acres.

A similar proposition was submitted to the voters in November, 1948 in the form of a \$250,000 bond issue, which amount was San Francisco's share of the purchase price at that time. This purchase plan involved a larger area. The vote in 1948 was within $1\frac{2}{3}$ per cent of the necessary two-thirds vote required for passage of bond issues. The actual count was 184,247 "Yes" to 100,335 "No" votes.

The area will be turned into a state park for recreation purposes. Because of its proximity to San Francisco, it will undoubtedly attract many visitors from this city as soon as roads are provided into the area. Last year Big Basin, a state park in the Redwood region of Santa Cruz County, was visited by over half a million people.

The 1948 bond proposition was approved by an impressive number of organizations, including business, labor and civic groups. The present measure was unopposed in the public hearings held by the Supervisors' Finance Committee considering the Citizens Committee's request for funds.

Proposition D

Emergency Appointments

Approval of this amendment to Section 149 of the Charter would empower the Civil Service Commission to authorize emergency non-civil service appointments to positions for which civil service eligibles are not available for duty. For those positions where there is no eligible list or no eligible is available on an existing list, the appointment would be limited to ninety working days or less in any fiscal or calendar year. If an eligible list exists but the services of an eligible are not immediately available, a non-civil service appointment could be made for thirty working days or less. In either case, if an eligible reports, the non-civil-service appointment would be terminated.

The background of this measure lies in a municipal court decision that non-civil-service appointments could not be made unless an actual emergency existed. It was impossible for the Civil Service Commission to determine whether an emergency existed in every case where a civil service eligible was not immediately available, and the result has been that such appointments were curtailed. Loss of necessary services and increased overtime payments to other employees occurred in many instances.

This legislation would restore to the Civil Service Commission the authority to provide continuous governmental services while qualified eligibles are being secured. This was the accepted practice for over seventeen years following the adoption of the Charter in 1932. In an era of tight labor markets it is impossible to certify regular civil service eligibles on short notice to the departments.

There is general agreement in support of the measure, with the exception of one minor employee group.

Proposition E

\$6,620,000 Municipal Railway Bond Issue

The Public Utilities Commission has submitted a bond issue for \$6,620,000 as "... the next step in the modernization of the Municipal Railway." The bond issue would be used principally to purchase 108 fifty-passenger motor coaches at a cost of \$2,383,000; 75 fifty-passenger trolley coaches estimated to cost \$1,650,000 and 15 modern streetcars at a cost of \$610,000. It would also be used to convert the Geary Street and Church Street carlines to trolley coach operation and to effect other specified improvements.

The official report submitted by the Manager of Utilities indicates that this "second step" in the modernization of the Railway will make possible a reduction in operating expenses "... of more than \$650,000 annually." It is claimed that these improvements will improve transit service and the traffic flow in many areas of the city. The Controller's cost estimate shows that debt charges would amount to \$525,560 per year over a fifteen-year period and, based on existing fares and the current assessment roll, said amount "... will be equivalent to four and four-tenths cents in the tax rate."

The two major items making up the estimated annual savings in operating expense are the \$243,000 from conversion of the B and C carlines on Geary Street to trolley coach operation and a similar conversion of the present J line on Church Street, estimated to save \$108,000. The difference between the cost of streetcar and trolley coach operation is substantial. Three other items make up the major part of the balance of the \$650,000 estimated annual savings of the official report. These are motor coach replacement, \$200,000; Ocean View extension and consolidation, \$50,000 and Castro trolley extension, \$30,000.

Motor coach replacement is provided for by the purchase of 108 motor coaches from the proceeds of this issue. These will be used in place of existing smaller busses that have been in service in excess of the ten-year useful life generally assigned to this type of equipment. The Transit Consultant estimates that, with the resultant reduction in operating expenses, the system will save approximately \$200,000 per year.

The transformation performed by the 1947 \$20,000,000 bond issue is fairly well illustrated by the following figures:

Type of Equipment	Number Owned		No. of Hrs. Operated	
	12/31/47	10/1/52	1946-47	1951-52
Electric Streetcars	592	185	2,078,734	444,543
Cable Cars	38	74	84,034	109,125
Trolley Coaches	34	398	93,557	1,145,876
Motor Coaches	283	468	1,007,625	1,665,372
Totals.....	947	1,125	3,263,950	3,364,916

The foregoing figures show that the bond program was used to reduce the 2,078,734 car hours of high cost electric streetcar operation to only 444,543 car hours, or an 80 per cent reduction. Operating costs would have been \$9.64 per car hour for electric streetcars, in contrast to the \$6.09 for motor coaches and \$5.47 for trolley coaches now prevailing on the lines served by this modern equipment, according to cost statements prepared by the Railway Accounting Department. Service was maintained, in spite of a loss in revenue passengers from 224,003,684 to 178,056,771 in five years.

The bond proposal originally submitted by the Public Utilities Commission and based on a report by the Traffic Consultant dated June 10, 1952, totalled

\$8,981,000. The principal changes are found in the elimination of the cable car system's partial transition to bus operation, a reduction from \$885,000 to \$75,000; a reduction in the number of trolley coaches from 95 to 75 resulting in a reduction from \$2,090,000 to \$1,650,000 in the bond program. An earlier report of the Traffic and Transit Consultant, M. D. Mills, dated April 1, 1951, indicated the need for a construction program totalling \$11,864,400. Eighty 50-passenger motor coaches were included in the proposed improvement program which, the report states, would cover a two-year replacement program.

The necessity for funds for the purchase of equipment and to provide for replacements is a continuing matter, because the system does not maintain a depreciation fund. Instead, railway revenues are used to retire the outstanding Municipal Railway bonds.

The bond funding statement in the annual appropriation ordinance for 1952-53 shows that the Municipal Railway expects to retire \$926,000 of the 1947 railway bonds, \$500,000 of the 1947 Market Street Railway refinancing bonds and \$100,000 of the 1913 Municipal Railway bonds, or a total of \$1,526,000.

The Municipal Railway owned 493 motor coaches, 398 trolley coaches, 27 cable cars and 210 electric street cars, the April 1, 1951 report stated. Of this total, 234 motor coaches were bought prior to purchases out of 1947 bond funds and 259 were purchased from bond funds in 1948. Motor coach equipment, under normal operating conditions, has an economic life of " . . . not more than ten years." With this life expectancy, the rate of replacement would be from 40 to 50 motor coaches annually in order to maintain the motor coach fleet. The Mills report advocates the annual purchase of 40 modern, fifty-seat coaches.

The bond issue on the November ballot provides for replacement of the least serviceable and smaller coaches owned by the system and which have been in service from eleven to fifteen years. The conversion of two Geary Street car lines and the J line on Church Street to motor coach equipment would speed up service and reduce operating costs from \$9.64 per car hour to \$5.47 per coach hour. However, conversion to trolley coach service would tend further to freeze the existing transit pattern in the Richmond District, where the De Leuw report indicated the need for extensive rerouting and consolidation. Traffic flow has been improved on streets where conversion has taken place, and should also be improved on those narrow streets now occupied by streetcar lines by conversion to coach service.

Proposition F

Fixes Salaries of Disabled Railway and Craft Employees

The basis for setting the salaries of employees who have transferred for reasons of disability from craft or railway positions to other positions would be changed by this amendment of Section 156. In all cases of disability transfer the rate received in the position from which the person transfers controls the salary in the new position by acting as a ceiling; that is, a railway bus operator transferred to a clerical position through disability cannot earn more in the new position than he received in his former position. The measure would change the date for determining the pay in the old position to July 1, inasmuch as that is the date on which craft and railway rates are fixed.

Though this measure proposes only a minor technical change in salary administration, there is an element of fairness involved, as it would place the employees affected on the same salary basis as other employees rather than determining their current compensation on the basis of the previous year's pay.

Proposition G

Scale Model of San Francisco Bay (Declaration of Policy)

Seven members of the Board of Supervisors submitted this policy declaration which, if approved by the voters, would authorize inclusion in the next annual budget of an amount sufficient to provide an equitable contribution by San Francisco towards the construction of a scale model of San Francisco Bay. The reason for seeking a San Francisco contribution to a river and harbor project which is under federal jurisdiction is not clear, or, in this Bureau's opinion, acceptable.

Frank R. Havenner, Congressional representative from the Fourth District of San Francisco, who is the principal advocate of the model, was reported as stating that estimates indicate a cost of \$1,000,000. Apparently there is no engineering estimate of the cost available, nor has a site been selected or a determination made as to who shall construct and operate the installation.

Engineers are of the opinion that the model probably would require two years or more to construct after the money was made available, and that the study could be completed in a period of from six months to one year thereafter. The project would be available to the agency constructing and operating the model for other test purposes of a similar nature once the Bay tests are completed.

The principal argument used by opponents of the model is that at least two years would be consumed in its survey and construction, with additional time required to perform tests, and that during this time work on Bay crossings, Bay area rapid transit and Bay area water conservation problems would be at a standstill.

Proponents state that hundreds of millions of dollars are involved in the future development of Bay crossings either of the high-level structural type or the low-level, solid fill or partial solid fill type. They state that it would appear, therefore, that the delay would serve the useful purpose of disposing once and for all of the claims and counterclaims concerning solid fill construction.

In order to determine what the Army-Navy views were on the construction of barriers in the Bay, the recommendations and conclusions of the Army-Navy Board's report on "An Additional Crossing of San Francisco Bay," dated January 25, 1947, were reviewed.

The Board commented on the possible effect on the fishing and other industries bordering San Francisco Bay. It concluded that, from the viewpoint of national defense, the barriers would seriously impair the usefulness of the Mare Island yard and the Hunters Point installation. The report states "No responsible naval commander could afford to sacrifice the mobility of his command by basing it behind dams and subjecting it to the transit of narrow channels and locks in the event of a required sortie."

The Army-Navy stand in 1947 on bay barriers from the point of view of national defense is not based upon considerations of currents, silting or tidal action; and, therefore, not subject to modification by the results of the proposed tidal and silting studies. No one, of course, can say with assurance what the military will do in the future, but a realistic appraisal of the 1947 position does not warrant an optimistic point of view.

The study of the effects on the delta region of a salt-water barrier in the upper Bay, which is proposed for inclusion in this program by the U. S. Reclamation Service, apparently would not be affected by the Army-Navy position in 1947 on national defense. At any rate, San Francisco is not directly concerned in that phase of the matter, and the justification for a San Francisco contribution has not been convincing.

Proposition H

\$4,750,000 Fire House Bond Issue

The San Francisco Fire Department has submitted this bond issue of \$4,750,000 for the construction, replacement and rehabilitation of fire houses throughout the City and County of San Francisco. The plan upon which the bond issue is based proposes the purchase of 17 new sites; the construction of 19 new fire houses and the reconstruction of 23 fire houses.

The construction program is based upon the report of H. C. Vensano, Consulting Structural Engineer, entitled "Survey of the Fire Houses of San Francisco" (September 12, 1951). This report recommended the abandonment of 24 fire houses and indicated the necessity for reconstruction work in numerous instances. It stated that at least two-thirds of the fire houses probably should

be abandoned because of a combination of their obsolescence as satisfactory living and working quarters for personnel and the existence of hazardous conditions, such as overloaded floors. As this plan was not practicable, it was necessary to accept more liberal standards for some of the houses by the adoption of temporary measures for continued use.

The Vensano Survey was preceded by a report prepared at the request of the Fire Safety Committee of the San Francisco Chamber of Commerce in 1940. This survey was conducted by the Pacific Fire Rating Bureau, an association of fire insurance companies, under the direction of H. M. Engle, a licensed structural engineer, following the structural failure under earthquake conditions of various fire houses in Southern California cities. In this report, Mr. Engle recommended the abandonment of 15 houses, reconstruction or abandonment of 11 houses and the reconstruction of 23 houses. This report concluded with the statement that if a destructive shock should occur it is probable that at least 50 per cent of the apparatus would be put completely out of use and that loss of life and injury to fire personnel might be heavy.

The City Planning Commission staff also prepared a report concerning the relocation and distribution of fire houses for this bond issue. This report and more recent Fire Department estimates based upon this study indicate that of the existing 50 fire houses, 8 would be abandoned permanently. Three entirely new fire stations will be financed out of current funds. One new house is now under construction at Winston and Buckingham Streets. Two others will be located at 16th and Vermont Streets and 42nd Avenue and Taraval. Twenty-eight of the existing fire houses were built for horsedrawn equipment in the days preceding the introduction of motorized equipment.

The tentative plan considered acceptable at this time by the Fire Department provides for 19 new fire houses, 11 of which would house two companies, estimated to cost \$215,000 each; and 6 new houses to be constructed to accommodate single companies, with an estimated cost of \$175,000 each. A total expenditure of \$3,950,000 is involved. Seventeen houses are slated for extensive reconstruction and six for light reconstruction at an estimated cost of \$365,000. It is estimated that a Fire Department headquarters would cost \$300,000 and would house fire personnel now located in the basement of the City Hall, as well as a fire company. The bond proposal also includes \$285,000 for purchase of 17 new sites and \$235,000 for a triple company fire station.

The relocation of fire houses is based upon type and character of construction; incidence of fire over a period of years, as indicated by the records; and the topography, with special reference to hills, traffic and density of population.

This proposed bond issue would speed up replacement of hazardous stations and provide for complete rehabilitation and relocation of the city's fire houses. This would be difficult under a piecemeal construction plan on a pay-as-you-go basis. Controller's estimates show that \$379,647 will be required

annually for fifteen years to pay bond interest and redemption, and that this will amount to an increase of three and two-tenths cents in the tax rate.

Proposition I

Compensation Insurance Benefits, Fire Department

This amendment of Section 172 would include members of the Fire Department, who were inadvertently omitted from Proposition "L" last year, in the program of disability payments applicable to all other city employees. The group involved are members of the old firemen's retirement plan in effect prior to 1932 who were continued in this membership under Section 169 of the Charter.

Proposition "L" was approved in November, 1951 and was intended to add all policemen and firemen to the disability program administered by the Retirement Board. The effect of the amendment was to transfer management of disability cases in the two departments from the respective Commissions to the Retirement Board, with a one-year limitation on the period of disability during which the individual could receive benefits equal to full salary. Formerly the Commissions handled these cases under their sick-leave rules, with no limitations.

This measure represents a correction of an oversight last November, and there is no known opposition to its approval. There are no cost estimates available, or costs that can be estimated.

Proposition J

Veterans' Civil Service Credits

The definition of time of war for the purpose of granting veterans' credits in civil service matters would be expanded by this amendment to include the time during which the United States is engaged in military operations against any foreign power and in actions assisting the United Nations. Through this change, persons serving in the armed forces in undeclared wars and "police actions" would be recognized as veterans and would receive the civil service benefits granted those who served in previous wars. The Korean action was the basis for initiating the measure at this time.

There is no opposition to this measure.

Proposition K

Supervisor of Personnel—New Position, Fire Department

Proposition "K" would authorize the Chief of the Fire Department to appoint a Supervisor of Personnel from officers having the rank of captain. This would not be a civil service position, and there would not be a com-

petitive examination. The position would be comparable to that of Director of Personnel in the Police Department, with duties relating to the assignment and training of manpower. A captain in the department has been performing the duties proposed to be assigned to this new position.

The Controller reports the added cost due to creation of this position at \$8,367 annually.

Proposition L

Codification of Ordinances; Actions by Board of Supervisors

Three important changes would be effected by this proposition which amends Sections 13 and 17 of the Charter; the first would provide for the codification of ordinances and their publication in an economical form, the second would expedite city business by reducing the time required for passage of ordinances by the Board of Supervisors and the third would clarify the language relating to the adoption of resolutions on the day they are introduced in the Board.

The municipal codes present a difficult problem at the present time because the ordinances have not been codified and published since 1939. The amendment would allow publication in bound or loose-leaf book form at a saving, and with the further advantage of allowing ready revision. The Charter is now published in loose-leaf form, and it is possible to keep an up-to-date copy at low cost.

The reduction in time required to pass ordinances would be achieved by cutting the minimum number of days between the first and second voting from ten to five. This would mean that an ordinance approved at first reading at a Monday meeting could be finally passed at the meeting the following week. A postponement on matters requiring longer consideration would continue to be possible. The present ten-day provision ordinarily means that two weeks are necessary to pass an ordinance. The longer period was for the purpose of allowing the citizens more time to consider actions before the Board. Twenty years' experience has demonstrated that the ten-day provision is not necessary and only results in a delay in carrying on city business.

Proposition M

Powers of Board of Permit Appeals

Power to grant variances from the strict application of any law, ordinance, resolution, rule or regulation governing the issuance or revocation of permits or licenses would be given to the Board of Permit Appeals by Proposition "M." Such variances could be granted only when the strict and literal interpretation and enforcement of the laws, ordinances, resolutions, rules or regulations "... would result in practical difficulties or unnecessary hardships." For any

variance granted the Board would specify the facts in each case "... which shall establish that the spirit of the law has been observed, public safety and welfare secured and substantial justice has been done."

The background of this proposed amendment lies in a curtailment of the powers the Board of Permit Appeals assumed it possessed prior to a Superior Court decision last year which upheld the denial by the Department of Public Works of a permit for construction.

This amendment would allow the Board to grant variances from the laws, codes, rules and regulations in granting permits or restoring them in cases where the department had denied or revoked them. Applicants for permits or licenses that are denied have the right under Section 24 of the Charter to appeal to the Board of Permit Appeals. The Board, a body of five laymen appointed and removable by the Mayor, may by a four-fifths vote overrule the department; but, under a City Attorney's opinion and the Superior Court decision mentioned above, it must follow the ordinances and general laws. The departments can and do ignore the reversals of the Permit Appeals Board where they consider the granting of a permit or license a violation of the codes or laws they are responsible for enforcing.

The case that is made for the grant of power to this board is stated to be concern over the codes and laws being too rigid and that minor variances, which would not affect public health or safety, should be allowed. The minimum ceiling height of eight feet is cited as an example of a provision which might be deviated from in the case of basement rooms in residences. The opposite point of view holds that once variances are permitted the law or ordinance no longer has any meaning, except perhaps to those unable to obtain exceptions.

The question has been raised as to whether the Board of Permit Appeals has a function if it cannot allow variances from the codes and laws. The answer given is that the Board still retains the function it was originally intended to perform; that is, an appeals body to which an applicant can turn as a protection against arbitrary acts of administrative officials. Where the codes and laws provide for interpretation, a person can appeal against what he regards as a misinterpretation by the department. This is a distinctly different matter from the granting of variances that are contrary to law.

An important decision has been placed before the voters by Proposition "M." While it may appear to be a minor technical matter as to whether an appeals board can grant exceptions from laws, ordinances, rules and regulations in cases involving hardships or practical difficulties, it is possible that much of the value of these codes and laws intended to protect people and property is at stake. How far some future board may choose to go in excepting an applicant from the law is unknown. If the present codes and laws are such as to cause hardships and difficulties it would appear that they need amending to provide the necessary latitude to the department and the appeals board.

There is a danger that if the Board of Permit Appeals is given the power it would be capable of exercising under this amendment, some of the basic operations of city and county government would be affected; the emphasis would shift from the departments and the laws under which they operate to the Board and its interpretation of how the laws should be applied.

Variances, where found necessary, should be provided for and defined in the codes themselves, with proper restrictions and checks to prevent abuse. This is the theory behind the terms of Section 117.3 of the Charter, which permits the granting of certain variances in zoning. The principle of good government would be violated by granting an appointive board discretionary power to set aside the laws of a city and administer them in a discriminatory manner, if a board were so inclined.

It is recognized that the laws and codes present problems to property owners in some instances, but this blanket grant of power to an appointed board is not the solution.

Proposition N

Increases Allowances of Employees Retired Before July 1, 1947

Proposition "N" would provide increases of \$25 per month to 759 pensioned miscellaneous City and County employees with twenty years' service or more who retired under Section 165 prior to July 1, 1947. Those with less than twenty years' service would receive a pro-rata of the \$25 based on the amount of service. The same group asking for this proposed increase received a similar increase from the voters in 1949, which they will continue to receive even though this increase is authorized.

It is difficult to summarize the benefits now being received by this group; it includes persons retired for disability, those who worked for the city for a short time and those who were employed 45 years or more. For the 559 employees who retired for service with 20 years or more in the city's employ, the average allowance is now \$112. Of this total there are 463 who receive between \$60 and \$140 monthly. There are 200 retired for disability who had 20 years' service or more, and their average allowance is \$84.17. The remaining 357 in the group covered by the proposed amendment are retired for service or disability and have less than 20 years' service; their present allowance would be increased by a pro-rata of \$25 based on their length of service. An individual with 10 years' service would be granted a \$12.50 increase.

The cost of the amendment to the City and County as stated in the actuarial report is \$2,384,414. This includes funds to come from both revenues and taxes. The first year's payment on this cost amounts to \$243,473, with \$195,460 from taxes and \$48,013 from revenue departments—the Municipal Railway and the Water Department.

The argument against this proposal is made on the grounds that it violates sound actuarial principles, that it renders valueless the principle of contribu-

tion by employer and employee and that it destroys the value of maintaining reserves to meet pensions when they become due. It must be considered an outright gift, which, if extended to all retired employees, would reach exorbitant heights. Furthermore, the grant is not made on the basis of need—everyone, whether he receives \$50 or \$250, will get the same treatment.

The argument advanced in support of this grant of money to elderly former employees is that they retired when salaries were lower and under a less liberal plan than that now in effect, and that they are suffering economically from the effects of inflation.

Proposition O

New Promotional Ranks, Fire Prevention and Fire Investigation Bureaus, Fire Department

Five new promotional ranks with increased salaries would be created in the Bureau of Fire Prevention and Public Safety and the Bureau of Fire Investigation with the approval of this amendment adding Section 39.01 to the Charter. The new ranks would be Captain, Bureau of Fire Prevention and Public Safety; Lieutenant, Bureau of Fire Prevention and Public Safety; Lieutenant, Bureau of Fire Investigation; Inspector, Bureau of Fire Prevention and Public Safety and Investigator, Bureau of Fire Investigation.

Personnel are now assigned to these duties in the two bureaus with their regular Fire Department rank. The work of the proposed ranks of Investigator and Inspector is done by firemen, the entrance rank in the department. These men do not work in firehouses, but are devoting their time to investigation and prevention activities on a forty-hour-a-week basis. It is clear that their duties and responsibilities are different from fire fighting and that some distinction should be made.

Men who have been assigned to these specialized duties for a specified period of one year would automatically be given the new ranks on July 1, 1953. This is generally known as "blanketing in," and is a practice that has been followed under civil service procedure. Vacancies in the two bureaus would be filled by promotional civil service examinations.

The salary increases would amount to \$20 per month more than the salaries received by captains and lieutenants in the Fire Department for the rank of Captain, Bureau of Fire Prevention and Public Safety; Lieutenant, Fire Prevention and Public Safety and Lieutenant, Bureau of Fire Investigation. The Inspectors, Fire Prevention and Public Safety and Investigators, Fire Investigation would receive the same salaries as a Chief's Operator in the department. This would be a \$33 monthly increase over the current fireman's maximum of \$375, to \$408.

The argument advanced against these civil service examinations and added salary is that the Chief of the department loses a certain amount of control,

and that once the new ranks are created the personnel of the bureaus are no longer available for assignment elsewhere when needed.

Furthermore, these men do 40 hours of work per week, with none of the hazards of fire fighting, whereas the other fire personnel work 56 hours, therefore, a salary differential is unnecessary. Finally, the personnel of these bureaus would continue to receive the costly benefits of a pension or retirement plan that was based upon the hazards of fire fighting, while they would be permanently removed from such activities.

There are forty-two positions involved in this amendment. Thirty-four are in the Bureau of Fire Prevention and Public Safety and eight are in the Bureau of Fire Investigation, commonly known as the Arson Bureau. The Controller has estimated the increased annual cost of the amendment at \$18,050.

Proposition P

Retirement of Elective Officers

Elective officers would become members of the general City and County retirement system (Charter Section 165.2) under the terms of this amendment, unless they choose to remain under the present section relating to retirement of elective officials (Section 158.1).

It is thought that most of the seven elective officers will avail themselves of the opportunity of membership in the general system, because it will give those who rendered service as employees of the City and County before becoming elective officials credit for that service, and it is a more flexible membership. Under the present charter provision, an elective officer is entitled to retire only after twenty years' service and attainment of age 70. Members of the Board of Supervisors will continue to be excluded from eligibility for membership in the retirement system.

Elective officers who become members of the new system under Section 165.2 would be retired on the day following the end of the term in which they reached age 70. The compulsory retirement age of 65 would be set aside. The total cost of the proposal to the City and County, as reported by the Consulting Actuary, is \$70,831. The cost of the first year's payment is \$5,869.

Persons entering elective office after the effective date of this proposed section (158.2) would become members of the retirement system under Section 165.2. Thus, the probable effect of approval of this amendment would be to end the effectiveness of the present section covering elective officers, which is considered to be an undesirable retirement provision by this Bureau.

The principal complaint registered against this measure is that an official could be re-elected in his 69th year and serve until the end of his term or until well into his 73rd year of age, and that superannuated officials are a liability to the citizens.

Proposition Q

Court Employees' Retirement

Fifty-four employees and attaches of the Municipal and Superior Courts who are not now members of the retirement system would be eligible for such membership if this measure, which would add Section 158.3 to the Charter, is approved by the voters. Unlike other retirement measures that have been presented, the employees involved would be required to pay their normal contributions, plus interest, for previous service for which they wish to be credited. Thirty-four phonographic reporters are in the group, and those in the Superior Court could receive service credit retroactive to 1945; phonographic reporters in the Municipal Court would be credited with service back to 1947.

The total cost to the City and County of this proposed amendment has been reported at \$435,312. The cost of the first year's payment is \$35,463.

Although an amendment that would have made this group of court employees eligible for retirement system membership was defeated last year at the polls, the present proposal can be said to have merit. The employees are not now in a retirement plan. The provision that those who would become retirement system members would make contributions for back service is unusual in this kind of measure, and reduces the cost to the City and County considerably.

Proposition R

Lease or Acquisition of Angel Island (Declaration of Policy)

Eight Supervisors ordered the submission of the following declaration of policy: "Shall proceedings be instituted by San Francisco for lease or acquisition of Angel Island for dedication as a recreational, educational and historical area?" This proposition is sponsored by the San Francisco Citizens Committee for the acquisition of Angel Island and by the Angel Island Foundation. The purchase price is claimed to be approximately \$200,000, payable at the rate of \$10,000 per year, with a \$20,000 down payment. Both the terms of the policy declaration and the purchase would limit the use of the island to recreational, educational and historical purposes.

The sponsors propose that San Francisco acquire Angel Island without cost by granting a blanket lease to a single concessionaire who would be responsible for the purchase price payments, cost of development, improvements, operating costs and the expense of police, fire and other protective measures. They also state that the island will serve as a much-needed recreational area providing picnic facilities, hiking trails, fishing, boating and horse-back riding. They suggest the possibility of the establishment of a Maritime Academy for the Merchant Marine. They claim that it is necessary to convince Washington by a public mandate that the people desire to preserve the island for public use.

The development of the island as a recreational area has been under consideration since federal government agencies abandoned operations on the island. In 1948 the War Assets Administration put it up for sale to three priority holders: (1) federal government agencies; (2) state and local governments; (3) non-profit institutions. These priorities expired October 15, 1948. The state park service, Marin County and San Francisco have each, at various times, given consideration to its development. During lengthy proceedings in committee and in the Board of Supervisors, no prospective concessionaire came forward who had adequate financial backing to enable him to accept full responsibility for the financial obligations involved in development of the island. Other interested public jurisdictions turned down the proposition.

The island consists of 640.2 acres, with the highest elevation set at 770 feet above sea level. A road circles the island, which is 4 miles long. Altogether there are approximately 10 miles of roads, the majority of them unpaved. There are numerous old buildings, including a three-story, 200-bed hospital. The total cost reported by the government for all improvements was \$2,254,-463. There are three harbors or landing areas, of which Hospital Cove is the most attractive. The island is 4,500 feet from the Marin County shore, with a substantial portion of its area located in Marin County.

Water supply is limited. During Army occupancy, water was carried by barge from Fort Mason and pumped into reservoirs. The cost of this service was reportedly one of the prime factors in causing abandonment of the island. Data on the fresh water table depth and regularity of supply from wells on the island was unavailable. The War Department declared the premises surplus on September 20, 1946.

The declaration of policy does not limit the city to operation by a concessionaire without cost to the city. If the voters approve this policy declaration, the Supervisors will be required to acquire the island for recreational, educational and historical purposes. The voters should consider the fact that if no concessionaire is found who is willing to assume full financial responsibility, the city and the taxpayers may be confronted with both development and operating expenses.

A custodial staff of ten was considered necessary initially under a bare maintenance policy by the Park-Recreation Commission (December, 1951 in response to a request for an estimate by the Board of Supervisors). This report considered the initial aspects of operation, not long-term occupation, which would add substantially to the \$4,486,000 park-recreation cost for 1952-53. The Chief Administrative Officer of the City and County estimated the full development cost as ranging between \$1,500,000 and \$2,000,000, including sewage disposal and water supply facilities.

If it is eventually found desirable to turn the island into a park, either the State Park Department or a district formed of several counties for that purpose should take over development and operation. It is not San Francisco's

duty to develop what would be used as much, or more, by the citizens of other Bay area counties, as the origin of the visitors on a recent visiting day indicated. Furthermore, the island is located almost wholly in Marin County, and, therefore, subject to regulations, ordinances and policing by Marin County.

This measure is passed on to the voters in an impossible form—a declaration of policy which provides the voters with absolutely no facts concerning the city's obligations and cost if it is approved.

Proposition S

Discontinuance of Columbia Square as a Park

This is an emergency ordinance asking the voters to determine whether Columbia Square should be abandoned as a park. The square is bounded by Folsom, Sherman, Harrison and Columbia Square streets and has not been maintained as an active park facility for several years.

The emergency is stated to be due to the fact that the state has condemned land for freeway construction immediately adjacent to the Franklin Elementary School at 8th near Bryant Street, requiring its discontinuance as a school. The measure calls for immediate utilization of Columbia Square for construction of an elementary school. By presenting the ordinance in this form, it would appear that an affirmative vote would endorse the construction of a school as well as abandonment of the park.

The industrial development of this area leads inevitably to the question as to whether there will be a school population large enough to support the school planned for this site for the life of the structure. The Director of Planning recommended against the construction of a school "... in an area designated, zoned and best suited for industrial purposes." The recommendation was made, "... recognizing that the School Department has an immediate problem ... but in the belief that temporary sources of relief should be sought."

The possibility of transporting pupils of the Franklin School (approximately 315 in number) was examined in a report of the School Superintendent, and the very young ages of the pupils, the distance and the cost (between \$35,000 and \$36,000 annually) were considered adverse factors.

One of the points that has been made in support of a new school in this section, which is primarily industrial, is that the children living in alley dwellings and hotel rooms should have the best possible school and recreational facilities. However, it is possible that locating a first-class school amidst depressed housing will tend to perpetuate and even augment the slum conditions by making it convenient for families to live in the area. Transporting pupils and keeping the Lincoln School in operation for the younger children, on the other hand, would have the double advantage of discouraging families from moving into the district and would make the funds available for school con-

struction in a residential district.

The elementary school that would be constructed on the park site is intended to house pupils of both the Franklin and Lincoln Schools. The enrollments at the beginning of the fall term were 315 and 204 respectively. The buildings now under consideration by the School Department for construction on the park site would have a capacity of 500, and the cost has been estimated at \$800,000.

The opposition to this proposal comes from two sources: First, from those who wish to maintain this area as a park for the use of employees in the neighborhood and in case of a disaster, such as a general conflagration; and second, from those who want to abandon the park but use the site for industrial purposes. They state that this area is now largely industrial; that it cannot be used for residential building; and that the children should be transported to other schools rather than spend \$800,000 or more for a full scale elementary school in an area where the population is likely to decline.

The Superintendent of Schools pointed out in his report to the Supervisors that there are eight blocks in the area under consideration for industrial redevelopment, and that a school population study showed there were 225 school-age children in these blocks. If redevelopment is undertaken during the life of the proposed school building, which is considered a strong possibility by realty operators, a large portion of the enrollment would move from the district.

If the measure is approved the school will be built at the indicated location, with recreation area and facilities included. If disapproved, it appears likely that the City and County would reactivate the park, and the School Department would either go into a costly condemnation of property in the area for the school, or would accept the vote as a mandate and transport the pupils to other parts of the city.

STATE PROPOSITIONS

Proposition No. 1

\$150,000,000 Veterans' Farm and Home Loan Bonds

Approval of this measure would authorize the issuance of \$150,000,000 in state general obligation bonds for the purpose of aiding veterans in purchasing homes and farms by lending them state money at a low rate of interest. By adding Section 16 to Article XVI of the State Constitution, this measure would validate the Veterans Bond Act of 1951. It would be the eighth home and farm loan bond issue since 1921. The total issued to date is \$310,000,000. The last proposition approved by the voters was a \$100,000,000 bond issue at the June 6, 1950 election.

The funds would be administered under the terms of the Veterans Farm and Home Purchase Act of 1943. Veterans may borrow a maximum of \$8,500 on a home valued at not more than \$11,500. Farm loans are limited to a maximum of \$15,000, with the maximum value of the farm purchased fixed at \$16,500. Loans are repaid in monthly installments, which shall cover interest, principal, cost of issuing bonds and administrative costs. Sale of bonds is under the control of the Veterans Finance Committee, composed of the Governor, State Controller, Treasurer, Director of Finance and the Director of Veterans' Affairs, with the Attorney General acting as legal advisor. Experience with the preceding seven issues has been satisfactory, and the taxpayers have not been called upon to pay either the interest or redemption of these bonds. The current rate of interest paid by California veterans who qualify for loans is 3 per cent per annum. This rate may not be reduced below 2½ per cent, nor raised above 4 per cent per annum. Loans are protected by a life insurance policy on the borrower, covering the balance owed the state on each contract.

The proceeds of the bond issue authorized in June, 1950 were exhausted early this year. The Legislature approved a recommendation of the Governor at the 1952 session to use up to \$55,000,000 of General Fund surplus money to continue the veterans' loan program.

The General Fund will be repaid from the sale of veterans' bonds authorized by this measure, if it is approved in November. Otherwise, the loan must be repaid within twenty-one years.

Veterans' loans are superior to the cash bonuses voted by many states. The indirect return from this investment is the increased number of citizens with a stake in the welfare of the community in which they live.

A point raised each time the bond issues have been presented to the voters is that the State is competing with the private loan business. It is, however, a limited form of competition, as the number of State loans is not large.

The following statement of Veterans Farm and Home bonds was prepared

by the State Controller at the request of this Bureau. It shows that \$96,201,000, or 31 per cent, has been retired. All of the first two issues and most of the 1929 and 1933 issues have been redeemed.

<i>Series</i>	<i>Statute</i>	<i>Date of Ratification by Voters</i>	<i>Amount Authorized</i>	<i>Amount Outstanding</i>
1921	578/21	Nov. 7, 1922	\$ 10,000,000	\$ ———
1925	430/25	Nov. 2, 1926	20,000,000	———
1929	659/29	Nov. 4, 1930	20,000,000	1,025,000
1933	686/33	Nov. 6, 1934	30,000,000	2,654,000
1943	585/43	Nov. 7, 1944	30,000,000	22,200,000
1946	18/46 (1st E.S.)	Nov. 5, 1946	100,000,000	90,070,000
1949	1267/49	June 6, 1950	100,000,000	97,850,000
			\$310,000,000	\$213,799,000

It is generally conceded that it has been a well-managed program.

Proposition No. 2 (Initiative) Increased State Public School Support

Proposition No. 2 is an initiative constitutional amendment sponsored by the California Teachers' Association that proposes to amend Section 6 of Article IX and Section 15 of Article XIII of the Constitution. The measure proposes to increase state aid per pupil in average daily attendance from \$120 to \$180, of which each school district would receive a minimum of \$120 per pupil. The minimum or "basic" amount applies to districts with high assessed value per pupil.

The State Legislature has augmented the constitutional state aid requirements by increasing them to \$147 per pupil in average daily attendance. The proposed amendment would increase the current level of state aid from \$147 to \$180, or \$33 per pupil in average daily attendance. The State Department of Finance estimates that there will be 2,040,000 pupils in average daily attendance in 1953-54, and on this basis the additional cost per pupil will result in an increase in the cost to the state amounting to approximately \$68,000,000. The increased aid amounts would become effective on July 1, 1953.

San Francisco would receive a \$25 per pupil in average daily attendance increase if this measure is adopted, as compared with the \$33 average increase for the "poorer" school districts. Because of its position as a relatively "wealthy" school district—that is, with a high assessed valuation in comparison with other school jurisdictions—San Francisco receives the minimum (or \$90 per pupil in average daily attendance) under the existing law, and received only a five dollar increase by legislative act. It is estimated that the increased aid would amount to approximately \$2,000,000 for San Francisco, based on the present enrollment.

Proponents justify the increase on the grounds that there are 20,000 new residents coming into the state every month. They contend that these people, with many children and no property, can only be reached for school support

through the sales tax. The State Department of Finance estimates that this growth will amount to 129,000 pupils over current enrollment by 1953-54.

Opponents to the teachers' proposal contend that the additional money will be used in many instances to increase teachers' salaries, and will not result in an improved educational program for the students. There is no guarantee that the property taxpayers will receive more than a temporary benefit by approval of this measure; experience demonstrates that the contrary is true. A classic example is found in the adoption of the Riley-Stewart Act in 1933, which was intended to reduce property taxes. In San Francisco a portion of the relief provided by the Act lasted three years, to be followed by higher tax rates than ever before.

The California Teachers Association, sponsor of this measure, did not present the increased aid proposal to the Legislature before taking it to the people via the initiative, thereby avoiding public discussion. The members of the Legislature come from every part of the state, and are in a position to know whether the schools in their districts are in need of funds. They are also in a position to determine, with the aid of expert official assistance, the actual needs and amount of aid to be granted.

Judged from the standpoint of good fiscal practice, "freezing" appropriations for a specific purpose stated in the Constitution is not good government. Proposition 2 does not establish that policy, but increases the amount by fifty per cent. This principle leaves the Legislature no jurisdiction in times of stress to adjust to prevailing conditions. It would render the Legislature impotent, if the principle were accepted and extended to other functions of government.

From the viewpoint of San Francisco taxpayers, this proposition proposes an estimated increase in state funds for San Francisco schools of approximately \$2,000,000 annually. On the other hand, these taxpayers are confronted by certain facts, which can be summarized as follows: (1) The sponsors of this measure did not submit their program to the Legislature and thereby allow expert official scrutiny before adopting initiative proceedings. (2) The Legislature can pass school aid measures (and has done so in the past). (3) "Freezing" funds, or greatly increasing the amounts frozen, in the Constitution is a bad policy. (4) The sponsors have failed to substantiate the necessity for an increase to \$180 per pupil, but have instead used generalities to support their claims. (5) Increased state aid is an extension of the equalization program, which means San Francisco will pay for an increased amount of aid to poorer districts of the state. (6) There are variations in and relatively low assessment value levels in outlying counties ignored by this act. (7) Adoption of Proposition 2 would tend to perpetuate costly school units.

Not to be ignored when considering the overall school financial problem is the massive school building program facing the state (see Proposition 24), which some estimates indicate may possibly reach \$600,000,000 by 1956, and for which the state undoubtedly will be called upon to provide assistance.

Proposition No. 3 (Referendum)
**Welfare Tax Exemption of Non-Profit Private
School Property**

The State Legislature passed Assembly Bill No. 3383, which would have extended the so-called 1944 Welfare Tax Exemption constitutional amendment to include the property of non-profit private schools below collegiate grade, if a referendum petition had not been circulated to place the measure on the ballot this November. A reasonable estimate of the loss of taxes involved, if this exemption is approved, is in the neighborhood of \$1,000,000 per year.

There is only one issue involved in this proposal, this Bureau contends, and that is the extension of the tax-exemption privilege. It is unfortunate that other considerations have been brought into the discussions concerning this proposal. From the standpoint of a taxpayers' organization, they are not relevant. The Bureau's position relative to all tax-exemption proposals since its founding in 1916 has been that tax-exempt property should be returned to the tax rolls and pay its fair share of the services of local government. In connection with state home-loan tax exemptions for veterans, Proposition No. 2 on the June 6, 1950 ballot, the Bureau said in its official publication, *The City*: "This amendment would provide special benefits to the relatively small number of veterans with state home loans, and would increase the burden of local taxation for the rest of the community." The proposition failed by a vote of 1,253,914 to 945,494.

In 1938 the Bureau said that Proposition No. 9, the constitutional amendment that extended the \$1,000 veterans' exemption to motor vehicles owned by veterans, "Extension of permanent tax exemption privileges of every kind and character should be stopped, and many of the existing exemptions repealed." This measure also failed of passage; the vote was 1,288,417 "no" to 839,379 "yes".

Another exemption measure on the 1938 ballot, which would have exempted furnishings and other personal property of churches and orphanages, was defeated by the voters by a two-to-one margin. The Bureau stated in its pre-election statement of that year: "It would be a wiser policy to eliminate many existing exemptions, rather than to add to their number."

This Bureau made the statement in the October 1950 issue of *The City*, in connection with initiative Proposition No. 1 on the November, 1950 ballot (which would have exempted personal property from taxation), that "Adoption of this measure would unnecessarily decrease the number of taxpayers directly affected by the property tax, and further increase the amount of property exempt from taxation." This proposition also failed to pass.

The proponents of exempting non-profit private schools from taxation present the argument that forty-seven states do not tax the properties of such schools; that the amount of revenue lost is inconsequential, amounting to

only an estimated \$700,000 for the whole state; that these schools save the taxpayers an estimated annual expenditure of \$50,000,000, and an initial capital outlay of \$153,000,000 for new school construction (assuming abandonment of their educational program); and that all non-profit schools above the level of high schools are now tax exempt.

Due to the ever-increasing burden of taxation on property, it would seem to be in order to urge that tax exemptions on all property—whether owned by the federal government, the state government or held in private ownership—be reexamined, and a policy consistent with present-day conditions established. The federal government alone holds title to 43 per cent of California real property, and an unknown amount is held by the state and other governmental agencies. The State Board of Equalization reports that property assessed at \$843,000,000 was exempt from local taxation this year. It is owned by war veterans, churches, private colleges and welfare organizations. The amount of taxes consequently lost is estimated at approximately \$45,000,000 annually by the Board Chairman. The people apparently recognize the seriousness of the situation, as the voters of California have refused to approve the great majority of tax exemption proposals in the last quarter of a century.

Proposition No. 4

Payments to the Needy Blind

A Senate constitutional amendment of Section 22 of Article IV of the Constitution would provide that aid granted to a needy blind person be for the use of that person alone, and not be construed as income for the benefit of any other person. The proposed amendment also provides that no person concerned with the administration of aid to needy blind shall dictate how any recipient shall expend aid granted him.

Proponents of the measure state that this amendment to the Constitution merely confirms what was enacted into law in 1951 by the Legislature. They state that the intent of this proposition is to see that aid to a blind member of a family does not prevent the granting of indigent and other aid to other members of that family. The proponents state that the measure is based on the theory that the maximum blind aid set by the Legislature is a minimum requirement of such a person.

Opponents believe that approval of this proposition will lead to similar provisions for aged aid cases, which would result in substantial increases in costs. They also assert that it gives special privileges to special groups among aid recipients, and that the 1951 Legislature enacted legislation that accomplishes the same result.

Proposition No. 5

Subversive Activities a Bar to Public Employment

Assembly constitutional amendment No. 1 would add Section 19 to Article XX, prohibiting anyone advocating the overthrow of the Federal or State government by force or violence or supporting a foreign government against the United States in the event of hostilities from holding an office or employment under the State, the University of California or any city, county or other political subdivision or public agency within the State.

Proposition No. 5 also would prohibit anyone engaged in subversive activities from receiving any exemption from taxes imposed by the State or any political subdivision thereof. This would place a burden upon the assessors in the State to determine whether persons seeking legal tax exemption should be denied such exemption because of subversive activities as defined by this measure. Organizations coming within the definition of the measure would lose any tax exemptions they might have as charitable, non-profit groups; this would include income and property tax exemptions for such organizations and individuals. This section of the measure raises questions as to method of enforcement, ability of an assessor to make the necessary investigations and the need for employing special investigators to enforce the act.

This measure is intended primarily to prevent employment of undesirable subversives by state or local government agencies. The manner in which the objectives of the measure are to be attained is not defined in the measure, but the Legislature is empowered to enact laws for enforcement of the provisions.

Proposition No. 6

Loyalty Oath for State Officers and Employees

This proposition would amend Section 3 of Article XX by including in the oath of office now required the stipulation that the person not be a member of any party or organization advocating the overthrow of the government of the United States or the State of California by force or violence, and that within the previous five-year period the person was not a member of any party or organization that advocated the overthrow of these governments.

The terms "public officer and employee" as defined in this measure include everyone employed by the state, University of California and local public jurisdictions and agencies.

Proposition No. 7

Ballot Designation of Party Affiliation

This is an act of the Legislature that would add Sections 53 and 3928.1 and amend Section 39.46 of the Elections Code, by requiring candidates for any partisan office to have printed at the right of the candidate's name the political party with which he is affiliated.

This act was presented to the voters by the Legislature as an alternative to an initiative measure, Proposition No. 13, which proposes to prohibit cross-filing or prevent anyone's becoming a candidate of a party unless he has been continuously registered as a member of that party for at least three months prior to filing.

If there is a legal conflict between Propositions 7 and 13, the measure receiving the largest affirmative vote will prevail, provided both measures are approved by the voters.

Proposition No. 8 **Exempts Church Buildings Under Construction** **From Taxation**

Proposition No. 8 is an amendment to the Constitution that was passed by the Assembly with the purpose of exempting from taxation buildings being constructed for religious purposes.

Buildings and the necessary land used exclusively for purposes of religious worship are exempt from local taxation under Section 1½ of Article XIII of the Constitution. This proposition would amend these provisions of the Constitution to include buildings in the course of construction for religious purposes, now exempt under existing law.

Proponents argue that the people of this state have recognized the principle of exempting religious institutions from taxation. They say it is inconsistent to oppose this measure on the ground that it increases exemptions, since the property will become tax exempt once it is completed and occupied.

Both this proposition and Proposition No. 9, exempting buildings under construction for non-profit educational institutions of college grade, have a very slight tax effect. However, if approved by the voters, both propositions would effect a further extension of the tax-exemption privilege. The reasons for re-examining the principle of tax exemption have been presented in connection with Proposition No. 3. An opportunity would be provided by this exemption to remove valuable property from the tax rolls by making a token start on construction, as no time limit is set by the amendment.

Proposition No. 9 **Exempts College Buildings Under Construction** **From Taxation**

Buildings under construction that are to be used by a non-profit educational institution of collegiate grade would be exempt from taxation if this Senate constitutional amendment, amending Section 1-a of Article XIII of the Constitution, is approved by the voters.

Proponents of the measure state that, since the principle of encouraging non-profit collegiate institutions by tax exemption has long been recognized in California, it is logical that this privilege be extended to buildings in the

course of construction. They claim that this omission probably was an oversight.

A token start on construction would make it possible to remove land from tax rolls, as no time limit for the period of construction is mentioned in the measure.

This is another step in the process of chipping away at the property that remains on the tax rolls, and the arguments set forth in the analyses of Propositions 3 and 8 above also apply to Proposition 9.

Proposition No. 10 (Initiative)

Public Funds: Certain Expenditures Prohibited

This initiative measure, sponsored by George McLain, the old-age pension advocate, would prohibit the expenditure of any public funds to the State Chamber of Commerce, local chambers of commerce, the County Supervisors Association and any other private organization which, the act states, attempts to influence legislation in any manner on the federal, state or local level. It also declares that the Constitution in Section 31 of Article IV has always prohibited such expenditures, and directs the Attorney General to recover all public money spent in violation of this prohibition. If this retroactive provision is held invalid, the future application would not be affected. This proposition would add Section 31½ to Article IV of the Constitution.

The backers of the initiative assert that the funds that have been appropriated by public bodies to chambers of commerce and other civic groups have been used to build a powerful political machine. They condemn the activities of these organizations without attempting to make any fair appraisal of the type of promotional work that is accomplished with the public funds under attack. For instance, the money which the San Francisco Chamber of Commerce receives from the City and County of San Francisco is under the jurisdiction of the Chief Administrative Officer as part of the Publicity and Advertising Fund. Payments are authorized under a contract which limits the use of the funds to promotion, advertising, development of resources, attraction of industry, etc. The organization submits a monthly report of work completed in these fields before payment is made on a monthly allotment basis.

It is stated by the opponents of this measure that it is a retaliatory step by Mr. McLain and his group against the organizations that have opposed his pension proposals in the past.

A careful reading of this initiative discloses that the broad wording used may result in extensive litigation to determine whether work performed on public contract by corporations might come within its scope. That is, a corporation which at some time has influenced legislation and which has performed public work might well be liable to the recovery provision of the measure. While this result may not have been intended, it is clearly a possibility presented by the language as drafted.

Proposition 10 is an example of the destructive type of legislation that sometimes qualifies under the initiative procedure.

Proposition No. 11

Payments to Aged Persons (Initiative to the Legislature)

Proposition No. 11 is an initiative measure that was presented to the Legislature by the group headed by George McLain, the California Institute of Social Welfare. The measure would make sweeping changes in the administration of California's old-age assistance program. The Legislature did not act on the proposal; thus, under constitutional law it is automatically referred to the voters.

The principal changes embodied in the measure may be summarized as follows:

- (1) State administration of old-age aid substituted for county administration and county financing.
- (2) \$75 monthly maximum increased in accord with cost-of-living increase since 1950; no reduction below present maximum of \$75 permitted.
- (3) Health service payments up to \$25 monthly; funeral expenses up to \$150 in certain cases.
- (4) Eligibility requirements relating to property ownership revised.
- (5) Relatives' responsibility eliminated.

The background of this initiative should be understood in evaluating the provisions of the measure. In 1948 the groups that are sponsoring this proposal were successful in passing an initiative by the narrow margin of 3,600 votes out of a total of 3,700,000. The 1948 measure provided for state administration of aged aid and an elective director. A woman was named by the initiative to serve in the latter capacity for an interim period. The following year the electorate voted overwhelmingly to repeal this initiative and restore county administration, because of the inefficiency and costliness of the state administration and the excessive cost of the provisions of the initiative. The present proposition, an "indirect" initiative that was submitted to the Legislature first, would reinstate some of the 1948 aged program, including administration at the state level.

An escalator provision for changes in the amount of aid to coincide with the rise and fall in the cost of living is probably the most important in the proposition. The grant is continued at \$75 monthly, with semi-annual cost of living adjustments of 50 cents for each point of increase or decrease in the consumer price index since March 15, 1950; the adjusted maximum cannot exceed \$100, and the present maximum grant of \$75 cannot be reduced. The average of the index for San Francisco and Los Angeles would be used for the first adjustment, and indicated revisions would be made each January and July following, based on the index.

The provision for health services allows up to \$25 monthly plus any federal assistance available. Individuals not on an excess needs budget and those not receiving exempt income would be entitled to this additional aid. The health

service would include medical, dental and nursing care; medicine, drugs, eyeglasses, prosthetic devices, etc. Payment would be made by the State Department of Social Welfare directly to the person rendering the service or supplying the items.

Personal property which an aid recipient could have would be increased by this initiative from \$1,200 to \$1,500. An automobile of moderate cost used for essential transportation would be excluded from consideration as personal property. The present real property maximum of \$3,500 in assessed value would be repealed, and the State Social Welfare Board, if required by the federal government, would set the maximum in real property at the highest allowed by the federal government.

Wide variations are found in the estimates of the increased cost of the measure if it were to become effective. The proponents' ballot argument cites \$65,000,000 for " . . . this very modest welfare program." The opponents point to the estimate of the Legislative Auditor of an increase of more than \$103,000,000 annually. The State Department of Social Welfare in its estimate computes the added cost of \$110,000,000 annually, based upon early 1951 cost of living data. Other estimates indicate a cost increase in excess of \$150,000,000. The county tax support, which would become a state burden, is estimated at \$19,000,000.

The amount of maximum aid has just been increased by the State Legislature from \$75 to \$80 monthly, effective on October 1; this raises a legal problem with respect to the application of the cost-of-living feature of this measure—that is, the language is based on the present \$75 maximum.

The initiative amends and repeals numerous sections of the Welfare and Institutions Code. It provides that the Legislature could not reduce benefits, could not change from state administration, could not require payment of costs from other than state funds and could not reinstate relatives' responsibility. This proposition is an obvious attempt to put over the principal items of the 1948 measure, which was so thoroughly defeated in the repeal of 1949 and which demonstrated the ineptitude of state control.

Proposition No. 12

Military Service by Public Officers

A paid civil officer of the state would be allowed by this amendment of Section 20 of Article IV of the Constitution to be a member of an armed forces reserve unit so long as he is not on active duty more than thirty days per year. A restriction on service in the militia by state employees would also be eliminated by the measure. The tenure in state offices would not be affected or suspended by such restricted military service if this proposition is approved.

The purpose of Proposition 12 is to remove an uncertainty concerning membership in the reserves of persons holding state positions. The Constitution provides that a person having a paid federal post is not eligible for a paid

state office. Postmasters and those holding local federal positions with an annual stipend of less than \$500 are excepted from this restriction. There is no opposition to this measure.

Proposition No. 13 **Prohibits Cross-Filing** **(Initiative to Legislature)**

This initiative, submitted to the Legislature and rejected (in favor of Proposition No. 7 referred to the voters as an alternative proposal), would prohibit cross-filing; that is, seeking the nomination of more than one political party. An individual could not be a candidate for nomination by a party without having been registered as a member of the party for at least three months before filing nomination papers. Thus, the candidate could only be eligible to run on the ballot of one party.

With this type of "indirect" initiative, which is submitted first to the Legislature, the proposal must be enacted or rejected without change. In the event of a rejection (as occurred in this instance) or no action by the Legislature, the initiative is referred to the electorate.

The general argument of those who qualified the initiative is that eliminating cross-filing would result in strengthening of party responsibility, while the opponents maintain that political boss rule would return.

Proposition No. 7, submitted as an alternative to this initiative, would provide for party designation of candidates on the ballot. As explained in the analysis of Proposition 7, if there is a legal conflict between Propositions 7 and 13, the measure receiving the largest affirmative vote will prevail, provided both measures are approved by the voters.

Proposition No. 14 **Repeals Constitutional Restrictions on Chinese**

This Assembly constitutional amendment would repeal Article XIX of the Constitution, consisting of the Chinese Exclusion Act adopted by the Constitutional Convention of 1878-79. An organization called the Working Man's Party campaigned for the restrictions now proposed for deletion because of widespread unemployment attributed by them to the employment of low-paid Chinese. Various sections of this Article have been declared void by the courts. The principal direct effect of repealing Article XIX would be to permit employment of Chinese on public works. Approval of this measure is urged on the grounds that it is in the interests of amicable international relations.

Proposition No. 15
**Taxation of Motor Vehicles Owned by Insurance
Companies and Banks**

The purpose of Proposition No. 15, Senate Constitutional amendment of Article XIII, is to permit the extension of the state motor vehicle registration license fees and state motor vehicle taxes to vehicles owned by banks and insurance companies. It would also place the Senate Compensation Insurance Fund under the same tax provisions applicable to other insurers by amending Section 14-4/5 to read that an insurer includes the State Compensation Insurance Fund.

The amount of taxes involved in the tax exemptions of motor vehicles of banks and insurance companies is not very large, being estimated to amount to approximately \$117,000 annually. Less than 5,000 vehicles are expected to be affected.

The Compensation Insurance Fund is a state insurance department that is in competition with private insurance companies, and would be subject to the same regulations and other constitutional requirements, including taxes, as other insurers if the proposition is approved. The tax on vehicles owned by national banks would not become effective until the federal government authorizes the imposition of the tax on the property of these banks. As a matter of fairness, vehicles of state banks would not be taxed until it becomes possible under federal law to tax vehicles of national banks.

Proposition No. 16
Borough Form of City Government

A chartered city and county would be permitted by this amendment of Section 8 of Article XI of the Constitution to establish a borough form of government for either the entire city or for one or more parts of the city. The municipal powers of the boroughs or districts would be administered as the charter provides. Cities are not now permitted by the Constitution to establish a borough form of government in any part of the city unless the city as a whole is divided into boroughs.

Los Angeles is mentioned as a city that might be interested in setting up a borough form of government for some of its outlying areas, without dividing the entire city into boroughs. The argument in favor of the amendment points out as advantages of borough government that government is brought closer to the people, that services will be developed suitable to the needs of the people in the borough, and that the government of the city as a whole would be freed from considering many petty matters. Some opposition to this amendment is reported in Los Angeles.

The City and County of San Francisco now has provisions in its charter for the establishment of a borough system of government; these provisions were intended to be used in the event additional territory is annexed in the future.

Proposition No. 17

Amends the State Chiropractic Initiative Act

The Legislature proposes a series of amendments to the State Chiropractic Act, which was first enacted as an initiative measure; under the Constitution any amendments to initiative acts must be submitted to the electorate. There are numerous changes proposed by this proposition, including increasing the chiropractic examining board from five to seven; eliminating a provision restricting the membership of the Board to a single graduate of each school; increasing the daily expense allowances of the Board when in session from \$10 to \$30; defining unprofessional conduct; exempting a chiropractor from paying a renewal fee when in the armed forces; raising the amount of fine for violation of the Act from a \$50 minimum to a \$200 minimum and from a \$200 to a \$600 maximum; and, finally, requiring that license renewals be contingent upon completion of a minimum of sixteen hours of postgraduate study during the year.

This regulatory measure is not within the Bureau's purview.

Proposition No. 18

Increased Tax Revenues to Liquidate Redevelopment Projects

A new section, requiring payment of increased tax revenues into a special fund of the Redevelopment Agency for payment of principal and interest on loans, bonds or other indebtedness incurred by the Agency to finance redevelopment, would be added to Article XIII of the Constitution by this proposition. It is intended as an alternative method of financing redevelopment, and not as a means for supplanting existing methods. In determining the increased tax revenues, the measure requires that they shall be based upon the amounts that would be produced in excess of the taxes levied upon the total assessed value of taxable property within the redevelopment project prior to redevelopment.

Those who favor this legislation believe that it is logical to apply the increased revenues from increased property values created by redevelopment projects to the cost of the projects. They claim that it will make these undertakings more attractive financially, and will hasten the day when depressed areas will be improved. Blighted areas have a depressing effect on surrounding property values. Experience shows that they also require more municipal services, such as health, fire and police, due to higher rates of crime and disease, and the tax return is low. The decentralization trend may be affected if close-in, centrally located, high-quality modern housing is provided together with the modern concept of open space.

However, the principle of earmarking taxes for specific purposes is not considered a sound fiscal policy by most authorities. Legislative bodies should be

allowed to levy and allocate taxes without restrictions by law as to use of the proceeds.

It is not anticipated at the present time that approval of this amendment would have any effect on the redevelopment program in San Francisco. Because of San Francisco's unique status as a city and county, there would be no advantage in setting aside the increased tax returns from a redeveloped area to pay off the loss entailed in acquiring and preparing the site. In other cities in the state this amendment would have the advantage of amortizing this loss, with the county government contributing its share of the added tax revenues from the project area.

The Act proposes that the excess of taxes levied each year "... shall be paid into a special fund of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, re-funded, assumed or otherwise) incurred by such redevelopment agency to finance or refinance, in whole or in part, such redevelopment project." The power to issue bonds and create indebtedness should be guarded carefully as any default by a unit of government would affect the credit standing and cost of future issues of the parent government.

The Controller of the City and County has raised the serious objection to this proposal that it would permit the redevelopment agencies to issue bonds secured by tax funds without a vote of the people. He points out that this would be possible under statutes incorporated in the Health and Safety Code that would become operative with approval of this constitutional amendment.

Proposition No. 19

Grand Juries

This amendment of Section 8 of Article I of the Constitution would set the membership of county grand juries at nineteen, and would require that not less than three and not more than nine members shall be carried over from the previous year's jury. A limit of two consecutive years' service as grand juror would be set, and service as foreman would be restricted to one year. The present language of the Constitution provides that a grand jury be drawn and summoned each year, and leads to the interpretation that the jury be made up of new members, although this has not been tested in the courts.

The case for the change as stated by proponents is in the value of the knowledge and experience that the carry-over members would bring to the new jury. The negative argument that the measure would tend to create professional grand jurors, and that the work of previous juries is available in records and reports, is not borne out by the terms of the measure, which limits the service of any person to not more than two consecutive years.

Proposition No. 20

State Funds, Hospital Construction

The Legislature would be authorized by this amendment of Section 22 of Article IV to make state funds available to non-profit corporations for the construction and maintenance of hospital facilities, whenever federal funds are made available for such construction. Federal funds are currently being appropriated for such hospital construction, but it is considered that the present language of the Constitution would not allow the application of state money for construction by non-profit corporations. This measure would remove the possibility of such a prohibition.

Those favoring approval of the amendment cite the acute need for hospital beds, and the fact that the money granted to voluntary non-profit hospitals would be only for construction and not for operating costs or deficits.

Opponents consider the use of state funds by non-profit groups to be a subsidy of private interests, and a procedure which would have the effect of reducing the amounts available for building public hospitals. They contend that such federal aid funds as are made available, together with private or voluntary public subscriptions, are sufficient. Non-profit, charitable corporations now receive what amounts to a subsidy in the form of relief from payment of taxes.

Proposition No. 21

Superior Court Judges, Vacancies

Proposition No. 21 relates to the filling of Superior Court vacancies that may occur in the last year of an incumbent's term at the next succeeding general election. The present interpretation of Section 8 of Article VI requires that, should a vacancy develop in the last year of the incumbent's term, the election that would normally be held in that year be postponed for two years until the next general election. The Governor can fill a vacancy until an election is held.

The argument is advanced in favor of the amendment that the change would correct a technical defect in the Constitution that delays the election of a Superior Court judge to fill a vacancy occurring in the last year of an incumbent judge's term. Superior Court judges are elected for a six-year term, and it is now provided that a vacancy be filled at the election held after the first day of January following the date the vacancy occurred. Thus, if a vacancy develops in the last year of a judge's term, the office cannot be filled by election for two years, even though a general election is held the year the vacancy occurs.

Proposition No. 22

Property Tax Statements by Written Declaration

Section 8 of Article XIII of the Constitution, regulating the filing of tax declarations, would be broadened by this proposition to the extent of permit-

ting a taxpayer to file personal property statements with the County Assessor either by oath (the present method) or by a written declaration made under penalty of perjury charges for falsification of facts. This would permit the taxpayer to file personal property statements by mail. The precedent for this system is the income tax procedure of the federal and state governments. The present system requires filing in person, under oath, at the office of the local assessor, which necessitates the hiring of a number of temporary employees.

Proponents claim that it provides the basis for a reduction in personnel in assessors' offices. The assessors, however, do not believe it will effect a reduction in employments, as the processing of the statements would require greater time and attention.

Some assessors also contend that when the property owner files his statement with an employee in the assessor's office and a valuation is determined at that time, it makes possible the placing of a uniform value on personal property. It is contended that inequalities in valuation will result if the taxpayer is required to set the value on his personal property. However, proponents contend that statements would be made on forms provided by the assessor, and would be subject to checking and correction (probably for a period of three years); therefore, inequalities in valuations could be worked out in due course in accord with procedures established by the assessor. The possibility that this could result in an increase in assessments, especially in homes, should not be overlooked.

Proposition No. 23

Removes Property Assessment Limitations

Section 3 of Article XIII would be amended by this proposition to strike out the constitutional restriction requiring that property tax assessments of tracts of land in excess of 640 acres, which have been sectionalized by the federal government, be made in sections or fractions of sections. The measure strikes out all of the existing language of Section 3, with the exception of the words, "The Legislature shall provide by law for the assessment of all lands."

The present limitation has been in the Constitution since 1879, and was apparently established to provide assessment comparisons. Current assessment practice classifies land by use, soil and other factors, and the values are related to these classifications. Those favoring the amendment point out that the limitation of 640 acres is unnecessary, and burdensome on the assessors. It requires that large tracts be divided into smaller units, which entails additional work and expense. The change would permit description of large holdings free of the size limitation. County assessors support the proposition.

Opponents believe that the change in language indicated above may give the Legislature powers not intended by the amendment. The question is raised in the negative argument whether the change would mean that assessment would be for the purpose of valuation or for the purpose of taxation. An opin-

ion of the Attorney General rules that the amendment would not "... confer upon the Legislature any greater power than it now possesses to make provision for the manner of assessing real property for purposes of taxation."

The amendment would have no effect upon assessment in San Francisco.

Proposition No. 24

\$185,000,000 School Construction Bonds

This proposed bond issue was submitted to the voters by unanimous vote of the Assembly and Senate at an emergency session called by the Governor in August. The amount of \$185,000,000 was determined as a compromise of the two houses, with the Assembly originally favoring a \$250,000,000 issue. The \$250,000,000 approved by the voters in 1949 has been depleted, and school construction requirements in needy school districts brought about the present proposal. The Legislature appropriated \$20,000,000 from the General Fund to meet the immediate needs of school construction; this amount will either be repaid from bond funds when available, or the total of bonds issued will be reduced to \$165,000,000.

Favoring approval is a survey of school facilities which indicates that current building requirements of districts qualified for state aid exceed the \$185,000,000 proposed, that the 1949 issue has proved inadequate and that migration and high birth rates have crowded many districts beyond capacity, leading to the use of double sessions. It is estimated that almost two-thirds of the state funds will be repaid. Local voters in the school districts must approve by a two-thirds vote the acceptance of the state aid funds.

Arguments in opposition which have been advanced include the contention that money raised from local sources would be more efficiently spent than state money and that there is a possibility that many of the districts could finance their schools if they would raise assessment levels.

It should be recognized that this bond issue proposal, like its predecessor, will provide no construction funds for the City and County of San Francisco. The local school district is in the "wealthy" class, and receives the minimum in state funds for pupils in attendance and no aid for school construction. The bond issue is part of an educational theory that the financially able sections of the state must aid the so-called poor regions. The result is intended to equalize education for all children, regardless of where they reside.

The report of the Legislative Auditor, dated July 22, 1952, is of interest because it examines the expenditures under the 1949 bond program. Four of the principal points in the report are: (1) There was constructed a high proportion of non-classroom facilities. (45 per cent of the total area is in standard classrooms; 22 per cent is in multi-purpose rooms.) (2) Little was done to reconstruct existing buildings; expenditures for this purpose amount to less than 3 per cent of the total, while approximately 37 per cent of the requested

classrooms were for replacement purposes. (3) There has been a wide variation in costs between the various school districts in this program. (4) The cost of state-aid projects exceeded the cost of projects financed entirely by local funds

In connection with the points of criticism above, it should be pointed out that the State School Building Aid Law of 1952 does provide that the costs of school projects receiving state aid shall not exceed the costs of comparable new construction in the area, as determined by the State Department of Public Works

To gain some understanding of the financial problem facing the state for school construction in needy districts, a statement by proponents of this bond issue warrants consideration. They assert that the minimum requirements as of October, 1952 would be \$198,401,000; and that for classrooms and other school facilities needed by the poorer districts by 1956 more than \$600,000,000 would be required

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November 2, 1954 San Francisco and State Ballot Propositions

San Francisco Bureau of Governmental Research

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SAN FRANCISCO PROPOSITIONS

Proposition "A"

Exhibit Hall Bonds, 1954

This proposition would provide \$3,275,000 in bond funds for the construction of a 144,000 square foot exhibition and convention hall under the south half of the Civic Center Plaza and Grove Street in front of the Civic Auditorium. The plan would fully utilize the excellently-located Civic Auditorium, without marring Civic Center Plaza.

Information provided by the San Francisco Convention and Visitors Bureau regarding the need for this improvement developed the fact that there were eleven of the largest conventions and exhibitions that the city was unable to obtain because of lack of space and nine large conventions that the city presently gets from time to time that might be lost if the space is not increased. In order to secure the American Medical Association and the American Mining Congress meetings this year it was necessary to erect unsightly barricades and tents on Grove Street and the Plaza to accommodate their extensive exhibitions.

Among the large conventions that the city has been unable to secure because of lack of exhibit space are the American Road Builders Association, the National Association of Machine Tool Builders, the Dairy Industry Supply Association, the National Cannery Association, the National Association of Retail Grocers, and Supermarket Institute and others.

The cost estimates prepared by the Controller show that the annual tax requirements would average 1.6 cents per \$100 of assessed valuation. This is based upon an estimated increase in revenue of \$125,000, additional operating costs of \$75,000 and an interest and redemption factor of \$253,267 annually.

From the standpoint of economic value to San Francisco, the Convention and Visitors Bureau points out that the additional conventions, together with those that might be lost if present facilities are not increased, would pour from 16 to 32 million dollars annually into trade channels, depending upon the number, size and spending characteristics of the groups secured. The conventions and exhibits of these organizations would not be secured every year, but San Francisco would be able to compete for their western meetings.

If San Francisco were to provide at another location the same amount of space as will be available with the present auditorium and the exhibition hall proposed in this measure, the cost would be several times the amount of the present proposal. In the election of 1948 a 15-million dollar bond proposal was submitted to the voters, which was intended to provide funds for construction of a convention center building with provision for 200,000 square feet of ground space and an auditorium seating 20,000. These costs were based upon pre-Korean war figures, which would necessarily have to be revised upwards.

Investigation of all of the facts surrounding this proposition indicate that

both from the standpoint of low original cost to the city and the beneficial effect it would have on the city's economy, this measure is the most attractive of its kind that has been presented to San Francisco voters in many years.

Proposition "B"

Recreation Center Bonds, 1954

This proposition seeks the authorization of \$5,000,000 in bonds for the construction of a large stadium to be used for baseball, football, pageants and other public assemblages. The principal use being considered is the introduction of major league baseball to San Francisco. It is the plan of those who are sponsoring the proposition to secure a suitable long-term lease from the holder of the major league baseball club franchise.

Proponents of this measure point to the experience in other cities, where the introduction of major league baseball has had a beneficial effect on business in the community. The spectacular rise in attendance at ball games in Milwaukee since a shift from minor to major league status occurred is cited as an example. It is reported that two years ago with a minor league team the total season's attendance was 190,000, while last year the total was 1,800,000 and this year was over 2,000,000. Proponents state that the presence of big league baseball in San Francisco would draw people from all over central and northern California.

The sponsors of the plan state that the club organizations in the two major leagues are preparing the way for a move of big league baseball to the Pacific Coast. The American League constitution has been revised to permit a total of ten teams if the additional two are on the Pacific Coast. The National League constitution now permits a ten-team league, with no restriction on location of the additional teams.

The location and size of the recreation center is not specified in the bond issue. A number of sites for the stadium have been discussed, among them the area south of Market Street convenient to the hotel section, McLaren Park and the present Seals Stadium, which could be enlarged. Capacity is expected to be from fifty to sixty thousand seats. It is asserted that a good stadium can be built at a cost of fifty dollars per seat.

The Controller's estimate of the cost of this proposition shows that on a fifteen-year amortization of the bonds the average cost per year would be approximately \$386,667. On the current assessment roll this is equal to three and one-tenths cents in the tax rate. It is the judgment of the Controller, based on reports from other cities with stadiums, that the total cost of bond interest and redemption would be returned in approximately twenty-five years by the revenue from admissions and concessions. Other cities have arranged to take varying percentages of the gross admissions. In Milwaukee the percentage is reported to be five per cent after deducting taxes and the visiting team's share. In Baltimore the percentage is reported to be seven. Concessions that yield additional revenue are those for food, parking, radio and television. There

would probably be revenue from football if a stadium is built in San Francisco, but that has not been figured because the city now receives approximately \$100,000 annually from professional football at Kezar Stadium.

Because this has been designated as a recreation center, it would be under the jurisdiction of the Recreation and Park Department. This would mean that negotiations for a lease and a site would be carried on by that commission and the appropriation of the funds from the bond issue would be subject to the review and approval of the Board of Supervisors.

A noteworthy feature of this bond proposal is that construction is conditional upon future developments. Supporters of Proposition "B" promise that bonds are not to be sold until two conditions have been met; namely, acquisition of a major league baseball franchise and a satisfactory lease. No such provision is included in the bond legislation. It is a reasonable assumption that the stimulation to business that has occurred in other cities with the introduction of big-league baseball would occur here due to the fact that this is a heavily populated area and fans would be drawn to San Francisco from the northern half of the state and Nevada.

While there is room for skepticism about this type of promotional bond issue there will be an opportunity to examine the arrangement made before any bonds are sold.

Proposition "C"

San Francisco Hospital Bonds, 1954

This bond proposal was ordered submitted to the voters by the Supervisors at the November 2 election to provide \$5,830,500 in general obligation bond funds for modernization and rehabilitation of San Francisco Hospital. This amount was reduced from \$7,960,000 recommended by the Health Department and the Chief Administrative Officer.

The Mayor's Citizens Bond Screening Committee recommended deletion of deferred maintenance items and submission of the modernization program. In accord with these recommendations, the bond program was reduced by \$2,129,500. The Committee also urged the Board of Supervisors to include in the annual budgets sufficient sums to provide for deferred maintenance.

The work contemplated by the bond issues must be performed by degrees. It is not possible to vacate the hospital and complete the remodeling within a short period of time. It will require vacating ward by ward.

The Bureau has divided the bond issue program into four categories of work to be performed for a better understanding of the bond issue's objectives:

First, an estimated \$1,141,000 for projects required by health or fire laws, such as outside stairways, sprinklers, fire escapes and connecting passageways.

Second, remodeling and other projects intended to improve operating facilities of the hospital, such as relocation of central supply, new admission offices and additional cold storage space, which amounts to \$2,858,000.

Third, \$1,146,000 for projects intended for replacement of obsolete or wornout facilities.

Fourth, \$685,000 for miscellaneous unnamed jobs, extras and equipment.

Recommendations and conclusions of the Chief of the State Department of Public Health, Bureau of Hospitals, in his report on San Francisco Hospital dated January 19, 1954, confirms the San Francisco official report concerning the need for modernization as well as rehabilitation. The fifty-three recommendations and conclusions contained in Report No. 1 range from correction of minor operating deficiencies to changes in the physical plant, such as remodeling of nurses' stations in most wards; rearrangement in wards where the nurses' toilet and janitors' closet are in the same room and where ice is stored; repair and recovering of all floors where necessary; provision of dressing rooms and lockers for kitchen employees in the service building; some means of assuring privacy for patients in wards, such as cubicles, curtains or screens; relocation of central supply and rehabilitation of the surgery suite.

Report No. 1 concluded with the general recommendation that, "In view of the number, type and frequency of the recommendations appearing annually in reports of this department, it is suggested that early consideration be given to effecting these recommendations."

Report No. 2, on the physical plant, stated that when the hospital was designed a hospital's function was considerably simpler than it is today and that by current standards its design is obsolete, although the buildings are sound and capable of extended future life. It is evident in numerous departments, the report states, that the present physical plant lessens efficient operation, and that the patient areas are very poorly equipped and arranged.

The report concluded that a long-range program of remodeling will pay substantial dividends in improved care and more efficient service. In addition to an obsolete physical layout, hospital buildings have been permitted to deteriorate seriously through lack of adequate maintenance. An "... active program of modernizing the physical facilities and equipment," and improved administrative direction and control would result in considerable improvement in the service rendered the citizens.

The Fire Department urged certain major fire safety features, estimated to cost \$1,141,000. These include fire exit stairs at the west end of all main ward buildings; passageways to allow horizontal traffic between ward buildings and permit evacuation of a ward in case of emergency; additional sprinklers, panic bars, fire escapes and other fire safety features to comply with the Fire Department's safety requirements.

Improvements and changes are needed after forty years of continuous operation without major repairs or alterations to meet changing conditions and advances in the fields of medicine and patient care, together with replacements of plumbing and plumbing fixtures, electrical fixtures and wiring, improvements to effect greater safety and alterations to effect greater efficiency.

Furthermore, the bonds are never sold until needed. Bond financing would spread the cost of many years of neglect over a longer period of time and be less of a tax burden now. Some of the improvements can be expected to

effect greater safety for patients and personnel and others to increase hospital efficiency.

The Controller reports that Proposition "C" would require \$450,853 for bond interest and redemption for fifteen years. With a \$30,000 annual saving in operating costs resulting from the improvements, he estimates that the annual payment for fifteen years would be \$420,853, equivalent to 3.4 cents in the tax rate.

Proposition "D"

Laguna Honda Home and Hospital Bonds, 1954

The purpose of this bond issue of \$5,475,000 is to remodel two ward buildings to accommodate a larger number of hospitalized and chronically ill indigents than in former years, to remodel or replace obsolete facilities and provide rehabilitation for Laguna Honda Home generally.

The proposal to rehabilitate and remodel the Home, as presented by the Health Department, totalled \$7,960,000. This was reduced to \$5,475,000 in accord with the recommendations of the Mayor's Citizens Bond Screening Committee.

The estimated cost of remodeling certain ward buildings is \$2,227,480. This would provide for conversion of ward buildings D and G from ambulatory to bedridden patients, together with nursing stations, nursing call and signal systems, new fire doors, and two new elevators complete with shafts. The old infirmary building would be converted and remodeled throughout to accommodate ambulatory patients now occupying Wards D and G, together with an auxiliary kitchen and dining room to feed these patients unable to travel the long distance to the main building. There will be no duplication of the main kitchens, where the food will be prepared and transported to the auxiliary kitchen steam tables for serving.

The result of the conversion program and the remodeling plan would be to provide 308 additional beds for the chronically ill, thus increasing the number from 905 to 1,213 and to reduce accommodations for ambulatory residents from 1,134 to 864. Provision for an increase of 38 in the Home's total capacity is included, from the present 2,039 to 2,077. The Health Department believes the increased number of hospital beds will meet the requirements for the next fifteen to twenty-five years.

The reasons for the conversion to handle a greater number of chronically-ill indigents than in former years is due to such factors as pensions, federal social security OASI insurance and state indigent aid; fewer elderly persons now demand admittance. A growing proportion of those requesting admittance are bedridden and chronically ill who are no longer able to take care of themselves or whose relatives no longer can care for them. Of those currently admitted, two out of three have social security payments to pay for a portion of the cost of their care. The proportion having incomes from pensions of one kind or another will increase in the future.

The items of work to be performed are too numerous to be named here, except for the most important. In addition to those mentioned, there are alterations and additions to Ward Buildings E and F, including two new elevators and shafts (a state hospital license requirement); a connecting corridor between K and L buildings and replacement of interior combustible partitions in accord with a Fire Department requirement for improvement in safety conditions. The estimated cost of these improvements is \$534,600. A new and larger power plant and a new 750-hp. boiler for the main steam distribution system would be provided for by an estimated \$521,500. Other items include enlarging of the laundry and providing new equipment at a cost of \$202,000; a new maintenance shop building to house maintenance operations and permit consolidation of commissary storage facilities for foods now located in several different basements of ward buildings, estimated cost, \$68,300; and rebuilding of the electrical distribution system, now badly overloaded, to cost an estimated \$110,000.

The estimated revenue that will accrue to Laguna Honda Home in this fiscal year amounts to \$240,000. The home receives most of its income from collections of the state portion (\$35 per month) of aged aid, federal social security payments, private industry pensions and responsible relatives. Some 600 to 700 inmates pay a portion of the cost of their care. The federal portion of aged aid cannot be collected by the city.

The cost to maintain the chronically ill at Laguna Honda Home is considerably less than at San Francisco Hospital. Figures on operating costs in 1953 show that the Home was able to care for the chronically ill for \$5 per patient day. Supervisory costs, depreciation and interest charges on bonds are included. Ambulatory patients cost the City and County \$2.18 per person per day in 1953 at Laguna Honda. Per patient cost at San Francisco Hospital in 1953 varied in different wards according to the type of illness and patient cared for, with a minimum cost for tuberculosis and eye patients. The minimum cost for other patients was \$10.59 per patient day, including a pro-rata of the costs of supervision, depreciation and interest on outstanding bonds. Hospital officials state that the chronically ill can be cared for at about \$7.80 per day.

The transference of about 100 of the aged chronically ill now at San Francisco Hospital to the Home can be expected to reduce the maintenance cost considerably. It is estimated that this transfer will save \$75,000 annually, with present operating costs at Laguna Honda.

The bond interest and redemption on the \$5,475,000 issue would amount to \$423,400 annually, according to the Controller. The reduction in operating cost of \$75,000 would reduce this requirement to \$348,400 annually, or 2.8 cents in the tax rate.

Proposition "E"

Employment of Blind Persons

This charter amendment would add Section 145.02 to the charter and provide for civil service examinations for positions which blind persons could fill. The amendment states that it shall be the policy of the city and county to encourage the hiring of blind persons. Positions with duties that could be performed by blind persons would be opened to them through civil service examinations. Unless eyesight is indispensable for the performance of the duties and responsibilities of the position, this measure provides that no blind person shall be discriminated against in examination, re-examination, appointment, reappointment, waiver of appointment or reappointment and promotion or demotion.

The proponents' ballot argument states that this measure is a gain to the city because public money is now spent to support blind persons who are able and want to work. The argument asserts that Proposition "E" does not create jobs but provides for the classification of existing jobs that can be performed by qualified blind persons.

While the intent of this measure is unquestionably good, it does present a number of administrative problems. The matter of holding appropriate examinations that will rate blind persons on the same basis as sighted competitors is one. The limited number of positions in the city service that can be assigned to the blind is another.

Proposition "F"

Increased Salaries for Supervisors

Salaries of the eleven members of the Board of Supervisors would be increased from the present charter-fixed rate of \$2,400 a year to \$5,000 a year by this measure. It was referred to the voters after it was recommended by the Citizens Charter Revision Committee.

The Supervisors perform part-time duties, with the Board normally meeting one afternoon per week. In addition, there are committee meetings of the ten committees and occasional field inspections.

The argument advanced in favor of this increase is that the higher salary will attract a larger number of qualified men to serve as legislators. With the present \$200 salary, it is apparent that an individual must have an occupation or profession that allows him to give up much time to the city's business. In the case of young men this is particularly difficult. Since the present compensation was fixed over forty years ago, the responsibilities and demands of the office have increased tremendously. The Board has been reduced from eighteen to eleven members, and the size of the budget has grown until it is now over 188-million dollars. The city has acquired a railway, a water system and an airport.

A comparison of salaries paid in the cities of over 500,000 population shows that the \$200 paid here ranks next to the lowest. St. Louis compensates thirty councilmen at the rate of \$1,800 annually. The median salary for the seventeen largest cities, excluding San Francisco, is \$6,000 per year. San Francisco's legislators also perform county functions, but the problems of the city and county are primarily municipal; the salaries paid councilmen elsewhere are, therefore, comparable.

Proposals for salary increases for Supervisors have been turned down by the voters in the past. It is difficult to determine the precise reason for this. It is perhaps due to the fact that San Francisco has a strong-mayor charter and the voters consider the activities of the Board as being of secondary importance.

Opponents argue that the pay of legislative representatives should not be so high as to attract the politically-minded with no other means of support. Members should, however, be compensated for loss of income because of service on the Board.

The growth in the functions of the City and County, the growth in population and the increased time required for the office of Supervisor refute the argument that this is an unimportant office. The Supervisors are the final authority on all financial matters, they determine the kind of city this will be through their actions in planning and zoning, and they determine what bond issues and charter changes shall be submitted to the voters.

The Controller reports the additional cost to the city if this measure is approved at \$28,600 a year.

Proposition "G"

Appointment and Removal of Chief Administrative Officer

Proposition G would revise the procedure in appointment and removal of the Chief Administrative Officer by requiring majority confirmation of the Mayor's appointee by the Board of Supervisors, by removal of the present provision that this officer be a California resident and by providing for removal from office by the Mayor and a majority of the members of the Board of Supervisors. These are amendments of Section 59 of the Charter, a section that has not been revised since the charter was adopted in 1931. The changes proposed are a result of the deliberations and recommendations of the Citizens Charter Revision Committee, appointed under an ordinance by the President of the Board of Supervisors to study charter revision.

The office of Chief Administrative Officer involves supervision over two of the city and county's largest departments, Health and Public Works, several smaller offices grouped into the Department of Finance and Records, the Purchasing Department, the Real Estate Department and other offices. There have been two incumbents in the position since 1932, and the present incumbent will reach mandatory retirement age in 1956.

The charter now provides for appointment by the Mayor of a person with "... administrative and executive ability and experience." The appointment is final, with no confirmation by the legislative body as is provided for in the appointment of the city and county controller. The appointee must have been a resident of this state for five years. The holder of the office is removable by recall or by a two-thirds vote of the Board of Supervisors. This requires eight out of eleven votes.

Before considering the specific changes proposed by this measure, some evaluation of the past experience with the office is pertinent. In the twenty-two years the office has been functioning there has been no serious criticism of its performance. There have been no attempts at removal of the incumbents and there has been no hint of scandal in the important departments involved. On the positive side there have been certain management advances such as photostatic recording, an increased workload in the departments without greatly increased personnel and the consolidation of the offices of Recorder and Registrar. In general, San Francisco, as a pioneer city with this type of administrative office, has enjoyed satisfactory results.

The change in the appointment of this officer to require confirmation by a majority of the Supervisors would not be consistent with the strong-mayor charter. The Chief Administrative Officer is an appointee of the Mayor and not of the legislative body. An argument against the 30 to 60-day period provided by the amendment, during which the Board would confirm or reject the Mayor's choice, is that it could result in the Board's seeking its own appointee. Precedent for this belief is to be found in the Board's refusal to confirm the Mayor's choice for the office of Controller in 1945 and their naming of the candidate of their choice. On the other hand, it is entirely possible that a competent person could be named by the Mayor and confirmed by the Board.

It is argued that the procedure established by this measure violates an elementary principle of administration; namely, that no man can serve two masters. However, the fact that the Supervisors confirm appointment does not affect the independence of the position, as removal powers do.

The provision for removal by the Mayor and a majority of the Supervisors alone has some merit. The existing provisions require a two-thirds vote and filing of charges. The incumbent CAO could request written charges and could also have a public hearing on these charges. This change would, essentially, be one that would make removal of the officer possible if the Mayor and a majority of the Supervisors were dissatisfied with his performance. As noted above, the present provision is for removal by two-thirds vote of the Board. This virtually assures long tenure, as it is not difficult to retain the support of only four members of the Board of Supervisors. Mediocrity would hardly constitute grounds for dismissal, and an incumbent who avoided arousing opposition by inaction and maintaining the "status quo" would be assured of long tenure.

The removal of the California residence requirement is consistent with the idea of obtaining the best-qualified person for the position, regardless of residence. Any appointee would be required to become a city resident within a

year. The present provision of California residence could not be considered unduly restrictive, however. With the large number of city manager cities this state has there is no dearth of administrative ability that could be recruited for this post.

A number of cities have made changes in their government in recent years that provide for a chief administrative officer. Among them are New York, Philadelphia, New Orleans and Los Angeles. These cities have centralized more power in the office than San Francisco did in 1931. Most important is the function of centralized budget review for all departments. The principle of management and budget control under a single executive has been thoroughly established by more than 1,000 city manager cities. In this city the CAO reviews only his own departmental budgets before sending them to the Mayor for review. The job is, in effect, a super department head in San Francisco, similar to the Manager of Utilities. When considering changes in the office of the Chief Administrative Officer, thought should also be given to increasing the powers, duties and specifications of the position.

Proposition "H"

Police, Fire Disability and Death Benefits for Health Department Employees

This charter amendment would grant to sixty-two employees of the Health Department's Emergency Hospital Service the same disability and death benefits that are now provided for policemen and firemen. The employees involved are ambulance drivers and stewards.

Consideration of this proposal was delayed in the Supervisors' Judiciary Committee while awaiting the actuarial report of cost. It was then ordered on the November 2 ballot without opportunity for discussion by interested citizens and civic organizations. The submission was in violation of the Board's ordinance providing that measures must be ordered submitted to the voters not less than sixty days before an election. Four supervisors voted against submission.

The principle involved in this measure is not acceptable, because it would extend special benefits to a small group without consideration of the problems of all city employees. The benefits now received by the members of the Police and Fire Departments in case of service-connected disability or death are liberal. They are based on the danger that the duties require of the city's protective forces. Such a hazard is not involved in the employment of the personnel of the emergency hospital service. The experience shows two cases of service-related disability in the past ten years.

In the event of the death of a policeman or fireman in performance of duty, the surviving family receives the man's full salary until he would have reached retirement. A retirement allowance is then provided. The provision was voted

following the fatal Hotel Herbert fire several years ago. If a policeman or fireman is disabled by duty the allowance is three-fourths pay. The Health Department employees, similarly to other city employees, receive disability and death allowances under certain conditions. For example, one of the men covered by this proposition, if disabled at age 37 with ten years' city service, would receive a disability allowance of one-third salary. Death benefits consist of six months' salary and return of retirement contributions with interest.

Approval of this proposition is almost certain to result in demands by other city employees for the same type of special pension coverage. Such a proposal was introduced and will be considered by the Supervisors' Judiciary Committee next year. This coverage would add millions of dollars to city costs.

The annual cost involved in Proposition "H" is \$50,195, which would be paid entirely by the city.

Proposition "I"

Police, Fire Disability and Death Benefits for Sheriff's Employees

This proposition grants the same benefits as Proposition "H" to a selected group of employees in the Sheriff's office. There are 132 positions covered, including the chief clerk, the bailiffs, the jail matrons, the jailers, the chauffeurs, the keepers, the writ servers and other classes. The special benefits the voters have granted to policemen and firemen for disability or death would be applied to these classes if this measure is approved.

The city would have to pay the entire cost of the additional benefits if this measure is approved.

There have been no recorded cases of death or disability connected with this group in the past ten years. The annual cost of the measure would be \$90,761. The cost to the city and county if the police and fire disability and death benefits are granted to all employees has not been estimated, but it is certain to be high for 12,000 employees, based on the \$90,761 cost for 132 persons. The arguments advanced in connection with the preceding measure, Proposition "H," also apply to Proposition "I."

Proposition "J"

Cable Car Initiative

Proposition "J" was placed on the ballot by an initiative petition, with the purpose of restoring all the cable car lines as they existed prior to the reorganization approved by the voters at the June election, known as Plan "B."

Plan "B" or Proposition "E," which the voters approved last June, created a consolidated cable system composed of the old California Street cable railway and the Market Street Railway cable lines. It proposes to use one powerhouse instead of two, thereby reducing operating costs, which the taxpayer must pay.

Plan "B" provided the means for securing the funds necessary to preserve and unify operation of the Powell Street line from Market Street to Fisherman's Wharf; the Hyde Street line from Powell and Market to Beach and Hyde Streets near Aquatic Park; and the California Street line from Market Street to Van Ness Avenue.

Proposition "J" would restore the lines and segments of lines that were largely replaced by coach service. The system Proposition "J" would restore, together with that part of the system now being operated, lost an average of \$30,320 per month for the period from July 1, 1953 to April 30, 1954. This loss has been reduced by the abandonment of the more costly and little-used lines of the system to \$365 in July of this year. The latter figure includes the higher wage now being paid. Any losses incurred by the cable car system must be paid by the taxpayers, who will contribute \$2,079,280 for Municipal Railway operations in the fiscal year 1954-55, according to the budget adopted for this year. A reduction in this amount cannot be anticipated in view of the fact that there has been no letup in the constant decline in revenue passengers and increase in operating expenditures. The decline in passenger revenues has proceeded at the rate of 4 to 6 per cent since the end of World War II. The end of this decline apparently has not yet been reached. Therefore, as long as the 15-cent fare is continued the only relief that the taxpayers can anticipate is from the abandonment of useless, unnecessary and uneconomical service, together with the introduction of economies by the management.

Proposition "J" would restore the O'Farrell Street line, resulting in renewal of the traffic hazard on Pine Street, where it would once again run in the opposite direction to the one-way traffic. It would recreate the traffic congestion that existed prior to the adoption of the June 8 plan on lower O'Farrell Street. Proposition "J" would also extend the California Street line out to Presidio Avenue again, in competition with nearby bus lines. The Jones Street shuttle, running between O'Farrell and Market Streets, a little-used and non-scenic line operated before adoption of Plan "B," would again be placed in operation.

These restorations would require the continued operation of the California

and Hyde Street powerhouse, which would have to be rehabilitated, according to official statements. Engineering reports issued by the Public Utilities Commission indicate that considerable capital outlay would be required to rebuild tracks, ways and structures.

The cable car service that the voters authorized abandoned by their approval of Plan "B" is now being rendered by substitute motor coach service. The attitude of proponents of restoration of the original cable car system is governed largely by sentiment, and disregards the high accident rate, the interference with traffic and the costly nature of these little cars remaining from an era that is past.

The City and County Controller reports that it will require additional capital costs, including debt service in the amount of \$114,453 annually for fifteen years, if Proposition "J" is enacted. Since the measure does not provide the funds or the method for raising these necessary capital funds, a bond issue would be required to finance the improvements needed to complete rehabilitation of the abandoned segments of the system.

The Controller states that a return to the system operated on January 1, 1954, before the revision under the voter-approved Plan "B," would increase operating costs at current wage and price levels by \$430,000 annually.

Opponents of the initiative measure include major business and civic groups, who point to the \$544,453 annual cost increase. The Controller reports that this cost increase would be equivalent to four and four-tenths cents in the tax rate, on each \$100 of assessed valuation, based on the current assessment roll. The San Francisco Municipal Conference has recommended a "No" vote to its constituent member groups. The Building Owners and Managers Association, the Down Town Association, the San Francisco Chamber of Commerce, the Junior Chamber of Commerce and the San Francisco Real Estate Board are among the opponents of this measure.

The voters will now be required to decide either to re-affirm their stand taken on June 8 of this year when they approved the practical and economical Plan "B," or reject this for the sentimental program of restoring the entire system at considerable cost to the taxpayers.

STATE PROPOSITIONS

Proposition No. 1

\$175,000,000 Veterans' Bond Act of 1954

Approval of this proposition would enable the State Department of Veterans Affairs to continue the home and farm loan program to veterans, which was started 33 years ago. This proposed bond issue is the eighth in the series that commenced with a \$10,000,000 issue in 1921. The proceeds of the 1952 \$150,000,000 issue have been exhausted.

The bonds to be issued would be of the general obligation variety, similar to the preceding seven issues for the same purpose. However, during the 33 years in which this program has been carried on, it has been self-liquidating.

The Act provides that the maturity dates and interest rate of the bonds shall be determined by the Veterans Finance Committee of 1943, consisting of the Governor, State Treasurer, State Controller, Director of Finance and Director of Veterans Affairs. The rate of interest is limited to a maximum of five per cent per year.

The Department of Veterans Affairs, which will administer the loans, has approximately one-dozen field offices and 175 employees. A veteran can be loaned up to \$8,500 on a home, with the value not to exceed \$12,500. Interest on loans is now at the rate of three per cent per year. The difference between the loan and the purchase price must be provided by the veteran.

The foreclosure rate has been low, being three-thousandths of one per cent, according to the Department of Veterans Affairs. There is approximately a \$15,000,000 surplus at present, which is also either invested in loans to veterans or securities. About three per cent of the outstanding bonds are covered by investment in negotiable securities to cover an unexpected increase in delinquencies in the future.

The idea behind this loan program is to help the veteran help himself. The alternative in some states, such as New York, Pennsylvania and others, has been the payment of a bonus to the veteran. Based upon an average bonus of slightly under \$300 per veteran in accord with bonus plans in other large states, the cost to the state for such a bonus would have exceeded one-half billion dollars to date. Proponents of this bond measure point to the fact that thousands of veterans have been provided with a stake in the welfare of their communities by the ownership of a farm or home.

It should be mentioned that these bond issues provide the basis for state competition with the private loan business. There is, however, no organized opposition to this proposal.

A statement has been obtained from the State Controller, prepared at the request of this Bureau, showing that of the \$460,000,000 authorized up to 1952, \$115,705,000 has been redeemed and \$344,295,000 remains outstand-

ing. All of the first three issues totalling \$50,000,000 have been redeemed, and less than a half-million dollars of the fourth issue remains outstanding.

Status of Veterans' Home and Farm Bond Issues

Series	Date of Ratification by Voters	Amount Authorized	Amount Redeemed	Amount Outstanding June 30, 1954
1921	Nov. 7, 1922	\$ 10,000,000	\$ 10,000,000	\$ ———
1925	Nov. 2, 1926	20,000,000	20,000,000	———
1929	Nov. 4, 1930	20,000,000	20,000,000	———
1933	Nov. 6, 1934	30,000,000	29,555,000	445,000
1943	Nov. 7, 1944	30,000,000	11,000,000	19,000,000
1946	Nov. 5, 1946	100,000,000	18,650,000	81,350,000
1949	June 6, 1950	100,000,000	6,500,000	93,500,000
1951	Nov. 4, 1952	150,000,000	———	150,000,000
		<u>\$460,000,000</u>	<u>\$115,705,000</u>	<u>\$344,295,000</u>

Proposition No. 2

\$100,000,000 School Bonds for Loans and Grants

This bond proposal is the third in a series intended to provide funds for school construction through state loans and grants to qualified districts. Proposition 2 is a constitutional amendment that would authorize the issuance and sale of \$100,000,000 in bonds for this purpose. In 1949 a bond issue in the amount of \$250,000,000 was approved and in 1952 a \$185,000,000 issue was approved. Of the latter issue there remained unissued on June 30 this year the amount of \$90,000,000. Prior to the bond programs the Legislature had made direct grants for schools in the amounts of \$20,000,000 and \$30,000,000.

The urgent need for additional school facilities has arisen from the high birth rate since the war and the large immigration to this state. It is reported that 164,545 public school pupils are on half-day sessions. Enrollment estimates of the State Department of Finance indicate that elementary school enrollments will increase from 1,668,200 in October, 1953 to 2,435,000 in 1960. High-school enrollments are expected to rise from 463,000 in 1953 to 758,000 in 1960. In order to meet the anticipated increased enrollment in the next five or six years, an additional 23,240 classrooms in the elementary grades will be required, according to supporters of the measure.

The districts receiving the loans and grants are required to repay the state within their ability, and the electors of the school district must approve the receipt of state funds by a two-thirds vote. Apportionments have been made

on a priority-point formula that rates the acuteness of over-crowding, sudden growth of attendance, amount of local tax funds spent for school housing and the time the application has been pending. State funds made available are thirty-year loans, with repayments based on the financial ability of the district. The unpaid balance is cancelled after the thirty-year period. The amount to be repaid does not depend on the size of the loan but on the assessed valuation in the district and the tax burden for bonded debt.

The Legislature adopted the School Building Bond Law of 1954, which authorizes the issuance of the bonds and incorporates the provisions of the bond law of 1952 for the allocation of aid money, the determination of ability to repay and amounts of repayment. The act provides that bonds are to be sold so that \$5,000,000 will be available in November of 1955 and each month thereafter, until the \$100,000,000 is apportioned.

Opposition arguments concerning this proposition do not question the need for financing school facilities, but rather the state loan and grant approach to the problem. Their contention is that the districts that qualify as needy under the program do so because of low assessment ratios, and that these same districts resist equalization of assessment. Reports by the Board of Equalization in recent years have shown that some jurisdictions assess on a lower ratio than others.

There were some criticisms of the construction costs involved in this program under the 1949 bond issue. However, the school aid law of 1952 provides that the cost of school projects under the aid programs shall not exceed the cost of comparable construction in the area.

It should be noted that the San Francisco Unified School District does not participate in the funds made available under the aid program because it is in the category of a district with ample assessed value and taxing resources.

With respect to the adequacy of the proposal there have been studies conducted by the State Chamber of Commerce that show that \$100,000,000 will be needed in the next two years. Consideration of providing subsequent school funds would be made before the 1956 general election.

Proposition No. 3

Alcoholic Beverage Control Reorganization

This proposition provides for a basic reorganization of the administration of liquor control. It would create a new Department of Alcoholic Beverage Control to assume regulatory powers now in the State Board of Equalization; it would provide for a director appointed by the Governor and confirmed by the Senate and it would establish a three-member appeals board appointed by the Governor, subject to confirmation by a majority vote of the full membership of the Senate.

The Director would serve at the pleasure of the Governor. The Legislature

would have the power to remove the Director by a majority vote of all members of each house. In addition, the measure would continue in effect the present liquor license fees until changed by the Legislature, and it would make offenses involving moral turpitude a basis for the department to deny, suspend or revoke a license.

Submission of this amendment followed the hearings and investigations of the Weinberger Committee on Alcoholic Beverage Control early this year. The legislative committee considered that present liquor control is gravely deficient, and its members are stated to be unanimously supporting Proposition 3.

Probably the most significant change in the measure is that liquor control would be supervised on a statewide basis by the new director and the employees of the new department. This would replace the present system in which members of the Board of Equalization, elected by districts, are responsible for liquor control in their districts and throughout the state.

The proposal to separate liquor control from the tax functions of the Board is not new. The annual report of the Board for 1952-53 states that it "... has been made almost from the day prohibition was repealed." This report states further that, "This board, itself, has so recommended on several different occasions and as recently as January 8, 1954."

Appeals from the decisions of the Department would be guided by the terms of this act placing certain requirements and limitations on the appeals board. If this body reverses the department's decision, it could direct a reconsideration of the matter. The proposed amendment states that an order of the appeals board "... shall not limit or control in any way the discretion vested by law in the department." Orders of the board shall be subject to judicial review.

The argument in opposition to this measure, submitted by a state Senator, is concerned chiefly with the possibility of one-man rule replacing an elective board and the employment of high-salaried deputies and additional employees to establish a new department of state government with offices in sixty cities. The Senator considers the appeals board "useless."

The Assembly and the Senate submitted this amendment with 105 members voting favorably and 3 dissenting.

Proposition No. 4

Increase in Aid to Needy Aged (Initiative)

Proposition 4, an initiative constitutional amendment, is sponsored by George McLain and his organization, the California Institute of Social Welfare. The measure would increase the maximum aid to recipients over 65 years of age from the present \$80 monthly to \$100. This would be an inflexible figure which the Legislature could increase but not decrease under the terms of the initiative. Additional provisions specify that payments are to the indi-

vidual alone to help him meet his individual needs and that the sums necessary to meet the state's share are appropriated from the state treasury.

It is estimated by the State Department of Social Welfare that passage of this proposal would increase California aid costs a total of \$74,201,000 annually, divided between levels of government as follows: state, \$55,552,286; federal, \$9,390,000; and county, \$9,258,714. In June 1954 the monthly payment to aged recipients was \$18,762,882. This means that the present annual rate of public assistance for aged aid is about \$225,000,000 for this state. Approval of Proposition 4 would add some \$75,000,000 for a total annual cost of approximately \$300,000,000. There were 271,826 persons receiving aged aid assistance in May, the largest number reported for any state.

The increased costs of the proposed raise in assistance payments would have an immediate effect on the fiscal problem of the state and the counties. The state's share would require an increase in existing taxes or new taxes; the counties would levy more from property taxes. The County Supervisors Association has estimated that the effect on San Francisco would be an increase of \$572,297 in annual aid requirements, amounting to 4.7 cents in the tax rate. It is perhaps superfluous to point out that existing requirements for schools, hospitals, and welfare have created a heavy tax burden on local governments.

Before a major increase in aged assistance is approved, the status of the state's present aid program must be evaluated. It was stated above that California has more recipients of aid than any other state; this state also pays a higher total per month than any other state; it amounted to \$18,776,062 in May of 1954. This compares to \$7,899,669 paid to 106,317 recipients in the state of New York in the same month, which represents the next highest in amount and number. The average payment by California of \$69.04 per recipient exceeded payments by forty-three other states. The four states with higher averages had far fewer caseloads and different qualification and recovery provisions. Following are the twelve states which in May of this year were paying an average of over \$60 to recipients.

	No. of Recipients	Total Amount	Average
California	271,826	\$18,766,062	\$69.04
Colorado	52,579	3,814,506	72.55
Connecticut	16,592	1,365,461	82.30
Kansas	35,027	2,247,670	64.17
Massachusetts	93,251	6,884,830	73.83
Minnesota	52,624	3,364,038	63.93
New Jersey	20,777	1,356,113	65.27
New York	106,317	7,899,669	74.30
North Dakota	8,358	507,962	60.78
Oregon	20,599	1,329,741	64.55
Washington	62,071	3,877,076	62.46
Wisconsin	46,511	2,834,410	60.94

Source: Social Security Administration, Bureau of Public Assistance, July 14, 1954.

In California a person can be eligible for aged aid if he has a home with assessed value not exceeding \$3,500, if he has personal property not exceeding \$1,200 in value and if he has been a resident of the state for five of the last nine years, including the immediate prior year. The responsibility of relatives to contribute to the support of their aged is based on rather meager requirements. A married couple earning \$341 to \$375 per month is required to pay \$5 per month. There is no provision for recovery of aid which has been paid as there is in many other states. Thus it is possible for heirs of aid recipients to inherit real property free of any state or county lien.

The amounts of aid that individuals receive vary with their circumstances. The average figure of \$69.04 quoted above is somewhat misleading until you take into account the fact that 38 per cent of the recipients receive the maximum of \$80 and the average is brought down by the factor of outside income for the others. While the maximum is \$80, recipients with excess needs for items such as medical care can add outside income to the state maximum and have a higher income.

The provision in the amendment that payments are to individuals alone has its significance in the fact that it would no longer be possible to consider such aid payments a part of family needs. In a situation involving a family member receiving another form of aid, such as indigent aid, the payment of aged aid would be disregarded under the terms of this measure.

A factor which it is not possible to predict is the effect of this type of change upon the number of aid recipients. It is a fact that the last successful initiative sponsored by Mr. McLain and his organization in 1948 resulted in a marked increase in aid cases. This measure does not alter the qualifications of recipients as the 1948 amendment did, but the higher amount would be an inducement for additional eligible persons to apply. Many informed persons believe that making the potential aid so much more than in any of the other populous states would act as a powerful attraction to persons coming from other states to qualify for the liberal assistance program.

The effect of the \$74,201,000 minimum increase estimated as the cost of the McLain Proposition by the State Department of Social Welfare, with no reversal in present business conditions, is to require an increase in the sales tax or other state taxes. The State Finance Director reported that the state is outspending its income at the rate of \$7,000,000 a month, an estimated \$82,500,000 for the 1954-55 fiscal year. He said that taxes may have to go up next year and will certainly go up the following year. Thus, the addition of \$55,552,286 or more to state costs by Proposition 4 could not be absorbed out of current revenues and would force an immediate increase. The fact that the \$100 aid figure would be frozen in the constitution would mean that no change would be possible until 1956, regardless of economic conditions.

Reference was made above to the existing financial needs for schools, hospitals and welfare and the tax burden they now entail. In the City and County of San Francisco for 1954-55 there has been budgeted \$33,168,000 for health and welfare alone. This, together with a \$38,145,000 school cost, represents \$71,000,000 in a \$142,000,000 budget, excluding public utility operations.

There is no likelihood that the demand for or the cost of these services is going to decrease.

Not by any available yardstick—comparison with other state aid programs, changes in the cost of living or hardship among aid recipients—has it been proved that this liberalization proposed by the McLain measure is merited at this time.

Proposition No. 5

Exemption of Vessels from Taxation

This amendment of Section 4 of Article XIII of the Constitution would continue exemption from local property taxation of freight and passenger ships of more than 50 tons registered from California ports. This exemption would otherwise expire on January 1, 1955.

The exemption of ships from local property taxes was first adopted in 1914 and was renewed by vote of the electorate for another twenty years in 1932. The original measure was adopted to place California shipping on a competitive basis with ships from other states and countries.

Proponents argue that California ports can ill afford to lose any of the shipping that remains and the business directly or indirectly traceable to this source. If even a small part of the remaining shipping were to be lost to California ports because of failure to continue this tax exemption, the consequent loss of home offices and the business of provisioning and repairing vessels would more than offset whatever tax might be derived from this source. Competitive Pacific Coast ports have in effect tax exemption of ocean-going vessels.

No revenue would be lost to local jurisdictions because no taxes have been collected for forty years. Furthermore, ships spend the greater part of their time on the seas and not in port. For this reason, proponents state, they do not receive the advantage of municipal services as is the case with other property and should not be required to pay taxes in the same proportion as property on shore.

There is no organized opposition to the measure, but apparently those interested in Proposition No. 8 on this ballot advance the argument that because ocean fishing vessels are not included it is discriminatory. The Legislative Counsel states that there is no irreconcilable conflict between this proposition and No. 8.

Shipping is an important phase of the economic life of California's major ports, particularly San Francisco. Tonnage handled by the Port of San Francisco totaled 11,932,415 tons in 1930, 6,999,131 tons in 1940 and 5,665,707 tons in 1953, a loss of 1,333,424 tons in the last thirteen years alone, despite the substantial growth of the state in the interim. Proposition No. 5 has the support of the California State Chamber of Commerce, the California Real Estate Association, the San Francisco Chamber of Commerce and Junior Chamber of Commerce and other civic groups.

Proposition No. 6

Pay of Legislators

Salaries of members of the State Legislature would be increased from \$300 to \$500 per month by this constitutional amendment.

Legislators' pay was increased from \$100 to the present \$300 per month, together with an increase in per-diem expense money, by approval of a proposition on the November 8, 1949 ballot.

Proponents of this measure argue that legislative duties have been increasing in scope and will continue to do so as the state continues to grow. The argument is advanced that increasing legislative pay will tend to attract and retain a better type of citizen in the Legislature. It is held that if the legislator receives a living wage he is much less likely to seek personal gain through use of his position. These proponents state that a legislator gives a great deal of time to the job between sessions of the Legislature.

On the other hand, it is contended that it is a part-time occupation in which citizens render a service as representatives of the people. As part-time employees, legislators are not expected to earn their living as such. That service in the California Legislature is a part-time job is obvious. The total service required during the two-year term of an assemblyman is 30 days for budget sessions and 120 days for regular sessions. For this total of 150 days the members receive a \$3,600 yearly salary, or \$7,200 for the two-year period, together with the \$14 per day expense allowance during sessions of the Legislature and mileage payments from their homes to the capitol and return. Furthermore, service on an interim committee is compensated for at the rate of \$15 per day, limited to 40 days in a calendar year. Service on a joint committee is limited to 60 days. A travel expense allowance of 10 cents per mile is also granted in connection therewith.

Another phase of this pay-increase proposal is the retirement plan that the legislators have voted themselves. A legislator can retire on half-pay after only ten years of service, and after fifteen years of service on three-fourths pay. The legislator is required to pay only four per cent of his salary into the pension fund. The state pays the balance. The compensation of legislators under the proposed pay increase would be equivalent to the return on an investment of \$300,000 in bonds.

Opponents of this measure state that instead of attracting better men to serve in the Legislature, the higher pay, together with the pension plan, will be a decided attraction for the professional political jobholder with no other occupation or profession. Thus, there would be created an increasing number of professional representatives, in place of the part-time citizen representative who heretofore has been the lawmaker. Such a man could be expected to be more interested in re-election than in the interests of his constituents, as he would have a vested interest in his job. The total pay of a legislator would be increased by this measure from \$9,300 for a two-year period under existing compensation and subsistence allowances to \$14,000 if this measure is approved.

Proposition No. 7

Land-Title Law Amendment

Proposition No. 7 would permit the Legislature to amend or repeal any part of the land-title law commonly known as the Torrens Act, which was adopted by initiative in 1914. Under the original act no provision was made for amendment or repeal. Under constitutional provisions an initiative act voted by the electorate cannot be revised or repealed except by the costly and uncertain process of a vote of the electorate.

Proposition No. 8

Tax Exemption of Commercial and Fishing Vessels

This proposition would increase the weight of tax-exempt vessels from 50 to 100 tons or more and would aid ocean-going commercial fishing vessels registered at any port in this state and operating outside the territorial waters of this state. They would be exempt from taxation except for state purposes.

Proponents claim that the language of the original act of 1914 (re-adopted in 1932) was intended to include all ocean-going ships but was misinterpreted, with the result that the fishing vessels have been excluded from its provisions from 1939 to date. It is claimed that such vessels registered in neighboring states or in foreign countries are exempt from local taxation, thereby providing them with a competitive advantage over California-owned-and-operated vessels. It is contended that the principle of exempting ocean-going ships that spend most of their time on the high seas should not be limited to those in the passenger and freight service but be made all-inclusive as a matter of fairness. In other words, this amendment, proponents state, would treat all ocean-going vessels on a basis of equality, in the same manner as the other coastal states.

An argument advanced against the measure is that the exemption shifts a major share of the tax burden to other local taxpayers. On the assumption that there is some relationship between local governmental services and the taxes paid therefor, it can be argued that ocean-going vessels that spend very little of their time in port should not be required to pay at the same rate as other taxpayers. Proposition 8 would affect only one vessel in this city and county. Los Angeles County estimates loss of \$1,100,000 of assessed value for vessels which are now taxed. The San Francisco Chamber of Commerce is opposed to this proposition.

Proposition No. 9

Exemption of Church Buildings Under Construction

Adoption of this Assembly constitutional amendment would extend tax exemption of churches to include buildings under construction, together with equipment and the land on which the building is being erected. The existing constitutional provision, Section 1½ of Article XIII, was adopted in November of 1952 and provides for tax exemption of church buildings under construction; but it has been interpreted as not including the site.

Church buildings and the land upon which they are situated have been exempt from taxes for a great many years. Hence, it is claimed by proponents that to exempt such buildings under construction and the land upon which they are being constructed is only logical. Proponents also claim that it was the intention of the 1952 proposal to include the land as well as the buildings in the exemption but that faulty language prevented it.

This proposition, if adopted, is unimportant taxwise, as there are not many such buildings in the course of construction during a given year. It is, however, an extension of the tax-exemption privilege. Property on the San Francisco assessment rolls now exempt from taxation totals \$55,983,705, and in the state as a whole is over \$850,000,000. These figures do not include federal, state and local government holdings.

Proposition No. 10

Terms of State Officers

This Assembly constitutional amendment would fix the terms of Assemblymen at four instead of two years. One-half the membership would be elected every second year. The terms of state Senators would be set at six instead of the present four years. Approximately one-third of the 40 Senate members would be elected every two years. Also, this measure would provide that no one except the incumbent would be eligible to serve for more than two successive terms as Governor. This last provision is not compatible with the principal purpose of this measure, namely, lengthening the terms of legislators. It should have been presented as a separate matter.

Proponents of the measure argue that it would ensure retention of experienced legislators for a longer period of time. It is also claimed that the existing short terms of legislators require them to campaign constantly in order to remain in office, and that this discourages many qualified citizens from seeking election. An Assemblyman, under the present two-year term, participates in one regular 120-day session and one 30-day budget session during his incumbency. The two-year term provides the legislator with little opportunity to

gain experience before his term expires. The expense of re-election every two years is also a deterrent to many qualified persons.

Another good feature of this measure, its supporters claim, is that it will ensure experienced assemblymen by the overlapping terms it provides. The longer term of office and the staggering of terms provides for continuity of policy and retention of a backlog of experienced legislators.

The argument against the two-term limitation for the office of Governor is that it automatically turns the incumbent during his last term into a "lame duck," with a visible diminution of his authority and prestige. On the other hand, it is claimed that this officer would thereby be freed from narrow partisan considerations in the conduct of his office.

Opposition to increasing the length of terms of Assemblymen from two to four years is based upon the contention that the Assembly will be consequently less responsive to the voters. The House of Representatives and 43 state legislatures are cited as examples that the state should follow. The longer term would reduce the number of times a person must be elected to the Legislature to receive the benefits of the generous pension plan the legislators voted for themselves from five to three.

The proposal to increase the legislative term of office and the two-term limitation for the office of Governor should not have been submitted in the same measure.

Proposition No. 11

Tax Exemption for Disabled Veterans

This Assembly constitutional amendment would authorize the Legislature to grant tax exemption on the home of any veteran who has permanent and total service-connected disability, consisting of the loss of or loss of use of both legs. The measure limits the exemption to homes acquired with federal assistance and to a maximum amount of \$5,000. According to the supporters of this measure, there are less than 500 veterans who have lost use of both legs in military service and who received special federal grants in acquiring a home equipped with special ramps and other devices required for veterans confined to wheel chairs. It has been estimated that the amount of the tax loss in any county would not be large, and for the state as a whole would amount to about \$25,000.

Proposition No. 12

Voting Eligibility

Under the terms of this Assembly constitutional amendment a person who had been convicted of an infamous crime—namely, a crime punishable by imprisonment in a state prison as well as certain other offenses—would be

restored his voting rights, the right to hold office and other privileges of an elector now denied him by law. Persons convicted of embezzlement of public funds would not be eligible for such restoration.

It is claimed that this proposition would eliminate a distinction that is now present under existing laws. Under the present law a person committing a felony does not necessarily lose the right to vote. If such a person pleads guilty, is granted probation and successfully completes probation, it is possible to secure permission from the courts to enter a plea of "not guilty"; and if the original charge is dismissed the right to vote is restored. However, under a felony charge where a person is found guilty and not given probation, but sentenced to prison and serves the term, he is denied restoration of his voting privileges.

Proponents claim that such persons should be restored to full citizenship after paying their debt to society. The present laws regarding loss of privileges as an elector date back to the constitution of 1849. The argument used by opponents of Proposition 12 is directed against the fact that the privileges of an elector include the right to hold public office.

Proposition No. 13

Vernon City Charter

A new section would be added to Article XI of the Constitution by this measure, which would authorize the Council of the City of Vernon to draft a charter and submit it to the voters of Vernon for adoption. Amendments to such a charter could only be proposed by the city council and adopted by the electorate eligible to vote under the charter. Further, the measure would permit the charter to define eligibility for election to the city council and to designate who are voters for municipal purposes. It contains a provision that if there are less than 135 registered voters residing in Vernon on the day of the charter election, the community need not comply with provisions of the State Constitution regarding prohibition against property qualifications for voting or holding public office.

Article XI, Section 8 of the Constitution authorized communities of 3,500 inhabitants or more to draw up a charter providing for government of the community. Such a charter, furthermore, may be drafted by a board of fifteen freeholders chosen by the voters. A freeholders' election may be called by a two-thirds vote of the legislative body of the city or city and county, or on presentation of a petition signed by not less than 15 per cent of the registered voters of the city or city and county. An alternative to the foregoing method of framing charters is provided by Section 8, wherein the legislative body may frame a proposed charter and submit it to the voters for adoption. Amendments may be submitted to the voters either by the legislative body of the city or on petition filed by 15 per cent of the registered voters.

Proposition 13 exempts the City of Vernon from the freeholders' method of drafting charters; the right to initiate amendments thereof by petition of the voters; and the primary requisite that there must be 3,500 inhabitants recorded by the last census. (The City of Vernon has a population of 417, according to the 1950 United States census.)

Proponents claim that Vernon is like no other city in California, as it has a tiny residential population but a daytime working population of 70,000. This creates municipal problems that have not been met by present laws. Arguments used against the measure are that it would establish a precedent, now prohibited by constitutional law, that a person's right to vote could be based upon the ownership of property in the city, regardless of whether or not the person lives there. It would also permit non-residents to hold public office.

Although the measure specifically states that the adoption of a charter shall not cause any change in any existing school district, this has been interpreted by the Legislative Counsel of the state to apply only to those school districts that exist at the time of the adoption of the Vernon charter. Thus, it is argued that the prohibition against any change in any existing school district would not prevent an amendment to the Vernon city charter affecting school districts formed subsequent to adoption. Opponents argue that by this means the amendment could prevent school districts from getting needed revenue from Vernon properties in the future.

The changes proposed by this measure can apply only to the City of Vernon, and would have no effect in this city and county.

Proposition No. 14

College Exemption—Property Under Construction

Constitutional provisions now exempt from taxation educational institutions of collegiate grade not conducted for profit, including buildings, equipment and grounds (not exceeding 100 acres in area), together with their securities and income used exclusively for purposes of education. A 1952 constitutional amendment extended this tax exemption to include a building in the course of construction. This measure would extend exemption to the land on which this building is located, provided the property is intended to be used exclusively for educational purposes.

Proponents argue that with such buildings exempt from taxation when completed it is only logical that the exemption be extended to include buildings in the course of construction and the land on which they are situated.

The amount of taxes affected by this proposed exemption is of no great consequence; however, it provides another example of tinkering with the tax base. The rise in tax-exempt property in California presents the remaining taxpaying property with a serious problem.

Proposition No. 15

Welfare Exemption, Property Under Construction

The Legislature would be authorized by this measure to extend the existing welfare property tax exemption to buildings in the course of construction, their equipment and the land on which they are located when they are to be used exclusively for religious, hospital or charitable purposes in accord with existing constitutional provisions.

This tax exemption amendment, like Propositions 9 and 14 on this ballot, provides for an extension of the tax-exemption principle now applied to property in actual operation to buildings and equipment in the course of construction and the land on which they are located. The same arguments used in connection with Propositions 9 and 14 also apply to this tax-exemption proposal.

Proposition No. 16

Water Rights of Government Agencies

This Senate constitutional amendment would require that whenever any governmental agency—local, state or federal—acquires an interest in any property in this state the acceptance of this interest shall constitute an agreement by the governmental agency to conform to California water laws with respect to the acquisition, control, use and distribution of water as it affects the land acquired.

This measure was placed on the ballot as a result of the plight faced by home owners in the Santa Marguerita River valley in San Diego County and other watersheds in the state when the federal government brought suit against them in the federal courts, claiming the water the home-owners were using.

Proponents claim that since consent by the State Legislature is necessary before the federal government can acquire legal jurisdiction over land purchased in the states, this measure would enable the Legislature to stipulate conditions in its consent by requiring that California water laws be conformed to.

Opponents believe the measure may become an obstacle to cooperation between the state and the federal government in the development of California water resources. They state that this measure may be used to prevent federal reclamation projects from being undertaken by making it more difficult to secure federal funds. It is intended as protection against encroachment of the Federal government upon the State's rights involving control of water. The proposal would have no direct effect in this city and county.

Proposition No. 17

State and Highway Funds for Vehicle Parking

This proposed amendment to Article XXVI of the Constitution would add Section 2.5, to permit the use of gasoline taxes and motor vehicle registration and operation fees for financing vehicle parking facilities in such manner as the Legislature may provide. At present Article XXVI of the Constitution provides that motor vehicle fuel taxes and vehicle registration and license fees shall be used exclusively for the construction, improvement, repair and maintenance of public streets and highways; for the enforcement of traffic laws; and for the payment of street and highway bonded debt charges.

Proponents claim that this amendment would permit the Legislature to provide for use of highway funds for development of waste areas along freeways for parking facilities where needed, with provisions for rapid transit turnouts.

The measure does not, however, limit the use of highway funds to parking projects in connection with freeways, but grants the Legislature full authority over the use of such funds for any parking facility. It would be up to the Legislature to provide adequate safeguards against improper expenditure of these funds.

Few will deny that there is a definite need for off-street parking facilities in major California communities. However, the League of California Cities, the official organization representing California municipalities, has announced its opposition to Proposition 17. It is the League's opinion that there should be no diversion of street and highway revenues, even for the vitally-needed off-street parking facilities, until such time as all critical deficiencies in major streets and highways have been corrected.

Proposition No. 18

Resident Citizens: Property Ownership

This proposed amendment to Article I, Section 17 of the Constitution would provide a constitutional guarantee of certain property rights to foreigners, which they now possess by statute in accord with a State Supreme Court ruling that the provisions of Section 17 do not limit the power of the Legislature regarding property ownership privileges of foreigners.

According to the terms of this measure, foreigners of any race eligible to become citizens of the United States, while residents of California, would have the same rights regarding acquisition, possession, use and transmission of all property, other than real estate, as are enjoyed by native-born citizens.

The argument presented in support of this measure is that the State Legislature established a policy in 1949 of submitting constitutional amendments

that would eliminate obsolete language inconsistent with present-day policies. There is said to be no opposition to this proposal, which was approved by a unanimous vote of the Legislature. This is a regulatory measure, in which the Bureau has no official interest.

Proposition No. 19

Inferior Court Judges

Approval of this measure would make a judge of a justice court eligible to hold office as judge of a superseding municipal court, even though he is not an attorney.

Under Article VI, Section 23 of the Constitution a municipal judge must be qualified to practice before the State Supreme Court for at least five years preceding his election or appointment to office. The inferior court reorganization plan voted in 1950 permitted an exception to this legal requirement by allowing an elected judge or justice who had served five years preceding adoption of the Court Reform Act to hold office as a municipal judge in the municipal courts superseding the old justice courts.

This amendment would extend this exemption from the constitutional requirement regarding legal knowledge to judges who had served for five years prior to November 7, 1950 (the adoptive date of the Court Reform Act) and who had served as judges continuously since that date.

Opponents to this amendment claim that it would encourage judicial district reorganization, for which there is no longer any need since adoption of the major reorganization of 1952.

Grandfather clauses that recognize experience in the period of transition are quite commonly inserted in acts relating to licensing of professional men and in civil service acts. Proposition 19, however, hardly can be considered in this category. The original court reorganization act contained such a clause and this is an attempt to extend it. The provisions of this measure would not affect the City and County of San Francisco.

Proposition No. 20

Framing County Charters

Article XI, Section 7½ of the Constitution, which sets forth the procedure for framing county charters, would be amended by this measure in two particulars only: First, boards of freeholders would be granted six months instead of 120 days in which to draft a county charter; and second, the amendment would eliminate nomination of freeholders "by petition." It would retain the alternative method of nomination now incorporated in the Act, which is that candidates for boards of freeholders shall be nominated in the same manner

as persons nominated for other county offices—namely, by filing of nomination papers signed by not less than 20 nor more than 30 registered voters.

There does not appear to be any opposition to this proposal. It is held that the amendment would clarify existing provisions of the Constitution relating to nomination of candidates for boards of freeholders. For instance, the phrase "by petition" used in the existing section is considered ambiguous. The kind of petition meant is not specified, and since the Election Code provisions relating to nominations do not define this phrase there is some legal doubt as to its correct interpretation. The extension of time for drafting charters from 120 days to six months is sound in that the present time limit is too short to permit of the proper conduct of public hearings, the compilation of data and the actual drafting of the charter.

The City

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San Francisco Bond Issues and Propositions on the November 8, 1955 Ballot

San Francisco Bureau of Governmental Research

58 Sutter Street, San Francisco 4, California

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Proposition "A"

\$54,000,000 Powerhouse Bond Issue

This \$54,000,000 bond issue would provide the necessary funds for the construction of two electric power plants in the Hetch Hetchy system, which will have the capacity to produce 800,000,000 kilowatt hours annually for a gross revenue of \$6,000,000. One of these power plants, the Cherry Valley powerhouse, will utilize the water from the Cherry Valley Dam and Lake Eleanor and will be located at a point a short distance upstream on the Cherry River, above its juncture with the Tuolumne. The other, to be known as Early Intake No. 2, will be located at a point on the Tuolumne River near the existing Early Intake diversion dam and will utilize the water stored in the Hetch Hetchy Reservoir behind O'Shaughnessy Dam.

These proposed powerhouses are in accord with the long-range development program of the Hetch Hetchy water and power system. Thus far the development of the power resources or potential of this project has included only one major powerhouse, namely, the Moccasin plant, which produces approximately one-half billion kilowatt hours per year. This plant earns in excess of \$4,000,000 from the sale of electric energy yearly and has been the primary factor in the city's ability to sell water to its citizens for rates 10 per cent less than those of 20 years ago, during a period when all other utility rates have advanced substantially because of the greatly increased operating costs.

The reason these two projects are presented together at this time is because of activities of California Congressman Clair Engle, who has introduced legislation in Congress attempting to appropriate San Francisco power sites and produce power by using Hetch Hetchy water, for which San Francisco citizens have paid over 120 million dollars, for the benefit of Tuolumne Water District No. 2. This water district proposes to sell the power for a profit. Unless San Francisco proceeds with the development of these power sites, it is possible that the Congressman would secure the consent of Congress to appropriate these sites.

San Francisco secured the reservoir sites required for the development of water and power on the Tuolumne River from Congress, under a Congressional Act adopted in 1913 and known as the Raker Act. Congressional permission was necessary because the area was located in Yosemite National Park. The Raker Act placed San Francisco in a straitjacket in regard to the sale of water and power. Other stringent terms were included, such as development of trails and roads and annual payments to the federal government. San Francisco had no choice but to accept these harsh terms.

Because of Congressional control, Congressman Engle's bill proposing to appropriate a powerhouse site or sites in the Hetch Hetchy project might very well prove successful, unless the city indicates its intention to develop the latent resources of the system.

The water and power system to date has required the expenditure of \$218,506,000, including interest, over a period of 40 years, of which \$121,750,000 was expended directly on the Hetch Hetchy development. There are over

\$70,000,000 in outstanding bonds that remain to be redeemed.

The city has been assured of a market for all the power that will be produced by these two plants when they are finally completed. The operating expenses of the plants have been estimated to amount to \$798,000 before bond interest and redemption and depreciation, leaving an estimated \$4,817,000 available for bond interest and redemption. The total power production of the Hetch Hetchy plant will be increased to 895 million kilowatt hours by 1960, upon completion of the proposed Early Intake Plant No. 2. By 1965, when it is anticipated that the Cherry River plant will be completed, the total power generated will be increased to 1,365 million kilowatt hours annually. This is considerably less than the power consumption of San Francisco, which now approaches 2,000 million kilowatt hours; and by 1965, upon completion of both proposed plants, it is expected to reach 2,600 million kilowatt hours, or double the capacity of existing Hetch Hetchy production and proposed development.

The Controller estimates that the average amount required to pay interest and redemption is \$2,852,124 for 23 years, and that it would be paid from revenues.

Proposition "A" has the unanimous support of civic, labor and trade organizations, newspapers and business firms. There is no opposition to this measure.

Proposition "B"

\$13,000,000 Court House Bond Issue

This proposition would authorize the issuance of \$13,000,000 in general obligation bonds for construction of an eight-story court house on a site in the civic center. The proposition does not include funds for remodelling the space that would be vacated in the City Hall by offices and courts to be housed in the proposed new building. Among court house advocates are the San Francisco Bar Association, the Barristers' Club and numerous civic groups, as well as the municipal and superior court judges. They state that the present facilities are inadequate. The most serious problem mentioned is the lack of proper facilities for juries. Another handicap, the proponents state, is the lack of ventilation in the present courts, poor lighting, poor acoustics and lack of rooms for interviewing witnesses, or for conferences between attorney and client.

The proposed new eight-story court house building would have a total of 576,584 square feet. It would include two basements of 130,000 square feet, which could provide parking for 360 cars. The public agencies that are expected to occupy the proposed building, in addition to the civil courts, include the offices of County Clerk, Public Recorder, Public Administrator, Recorder, Sheriff, Traffic Fines Bureau, City Attorney and the Law Library. These bureaus and agencies are now housed in the City Hall. This building is not intended to provide quarters for the criminal courts, now located in the Hall of Justice. Additions to and remodelling of this structure for the Police Department, the criminal courts and related departments, some of which are renting offices, is another seven million dollar project.

In the brochure issued by the proponents giving the details of the court house project the statement is made, following a tabulation of space occupied by city departments outside the City Hall, that: "The above listed city-owned or rented buildings can be vacated and returned to the tax rolls and/or rental saved by moving the offices listed above into the space now occupied in the City Hall by the courts or related agencies." According to a Bureau of Architecture estimate, a \$7,000,000 remodelling cost is involved, and another bond issue would be required to accomplish this.

An alternative proposal involves the construction of a functional office building somewhere in the civic center and the remodelling of the present City Hall to serve as a courts building and for related offices. The building subcommittee of the Mayor's Forward Committee, after study of the courts building and office building proposals, favored construction of an office building. The Bureau of Architecture estimated that the cost of such a project would be \$12,860,000. The cost of modernizing and remodelling the existing City Hall, which would continue to house courts and related agencies, is estimated at \$8,000,000.

The delegates to the San Francisco Municipal Conference recommended to the constituent organizations that the best interests of the city will be served by deferring the construction of a courts building until such time as a complete plan for the adequate housing of both the judicial and the administrative branches of the government can be worked out.

The voter is left with a difficult choice between the claims of different groups of officials, neither of which desires to utilize the City Hall. Those advocating a court house claim that the City Hall is unsuitable for court use. The advocates of an office building reply that the City Hall is more suitable for court use, because of its high ceilings, than for office use. However, before the building is considered obsolete, a thorough review is in order that would decide the best use to be made of the City Hall and the amount of money required to modernize it. It is interesting to note that there are \$1,000,000 in 1912 City Hall and Civic Center bonds outstanding, and the issue will not be fully redeemed until 1960.

The City and County Controller estimates that the average yearly cost of financing Proposition "B" is \$803,563, which is equivalent to 6.4 cents in the tax rate for 20 years, based on the current assessment roll. Operating and maintenance cost will add \$384,500 annually, or 3 cents in the tax rate. The total cost is, therefore, \$1,188,063 annually, which is equivalent to 9.4 cents in the tax rate on each \$100 of the current assessment roll.

Proposition "C"

\$7,000,000 Park and Recreation Bond Issue

A Recreation and Park Department proposed bond issue of \$7,000,000 would provide for 27 individual projects, ranging in cost from \$28,000 to \$2,500,000, the latter for development of John McLaren Park in the outer Mission District. Other major projects included in this issue are \$500,000 for

replacement of the irrigation system in Golden Gate Park and \$726,000 for two enclosed swimming pools, one in the vicinity of the southeastern corner of McLaren Park and the other in Larsen Park at 19th Avenue and Vicente Street. The balance of the funds would be largely expended upon recreation facilities and playgrounds, including the Marina, Portola, Funston, Michelangelo, Jackson, Ellis-Polk and Balboa playgrounds and the Lake Merced sports center.

The two swimming pools and playgrounds development will add to the annual operating costs of the department. The operating and maintenance cost submitted by the City and County Controller is \$429,300 per year, or 3.4 cents in the tax rate. This, of course, is in addition to the interest and redemption cost, which the Controller states will average \$432,688 per year, or 3.4 cents in the tax rate for 20 years, when all of the bonds are sold.

The proponents of Proposition "C" state that these are the most urgent minimum needs of San Francisco, and that the proposed bond issue resulted from a long-term study of this subject by the joint Recreation and Park Department since its consolidation in July of 1950. They state that there is a need for additional facilities to answer critical demands in certain areas for playgrounds, park development and swimming pools. Also urgently needed is rehabilitation of certain existing park and recreational facilities. This situation is the result of years of neglect brought about by inability of the department to secure funds in the annual budgets in sufficient amounts to maintain certain facilities, such as the irrigation systems in the various squares, small park and golf courses and the replacement of such facilities in Golden Gate Park. The foregoing, however, represents perhaps not more than one-seventh of the total bond issue.

The largest single item, the proposed development of John McLaren Park, is estimated to cost \$2,500,000. Three hundred and twenty-six acres of land have been designated as John McLaren Park, located in the outer Mission District at Visitacion and La Grande Avenues. This project would include an irrigation system, landscaping and a variety of recreational installations, in accordance with plans prepared by a joint technical committee last year. The city first declared its intention to develop this area for park purposes about 1927. Since that time, there has been very little done other than the individual development of private holdings in the area.

Some of the projects included in the present \$7,000,000 program were originally included in the \$12,000,000 1947 bond issue. However, because of increased costs the department was unable to complete all the projects originally planned for the proceeds of the sale of the \$12,000,000 of bonds voted in 1947. The Silver Terrace Playground, Silver Avenue near Bayshore, was a part of the 1947 program and is included in the 1955 issue in the amount of \$165,000 for concrete bleachers. Helen Wills Playground, at Broadway and Larkin Streets, was to be enlarged by the 1947 funds; there is included in the 1955 issue a \$330,000 recreational facility to be located in that general area. There is \$200,000 provided in Proposition "C" for a corporation yard, originally part of the 1947 Recreation Department program.

Proposition "D"

Off-Street Parking Bonds

The Parking Authority submits this \$11,000,000 bond issue for the continuation of the off-street parking program. The Authority contemplates the purchase and clearance of land for a Sutter-Stockton garage, estimated to cost \$2,900,000; a Market-Mission garage, estimated cost, \$1,425,000; a Jones-Golden Gate garage, estimated cost, \$470,000; a Minnatoma Parking Plaza, estimated cost, \$1,260,500; and \$1,000,000 for district parking lots in congested business districts. Also included is \$3,764,000 for the construction of an underground garage under the northern half of the Civic Center Plaza. The southern half of this area will be occupied by the new exhibition hall, for which bonds were approved last year.

Estimates prepared by the Controller indicate a \$679,938 average annual cost for 20 years, or 5.4 cents in the tax rate. The Controller did not include any revenue to the city from these projects, for the reason that he was unable to estimate the product of operation or ad valorem tax loss.

The Parking Authority states that the overall requirement for new financing for the five projects included in the bond program would be \$15,895,500. However, the Authority concludes that from past experience it is logical to assume that construction of the downtown district projects can be financed by private business in most cases, and for this reason only the cost of the land and clearing of the sites has been included for the four garages in the bond program.

The Authority bases its request for additional funds on the fact that the number of automobiles entering the metropolitan traffic district on an average business day has grown from 116,573 in 1947 to 181,201 in 1955. It is anticipated that by 1956 the total will be 189,830 on an average business day. The Authority concludes that the number of automobiles seeking a place to park in the central downtown business district on an average business day in 1954 was 73,768, of which 34,964 were seeking short-term parking and 38,804 long-term parking. In the Authority's letter to the Board of Supervisors, it is stated that the number of parking accommodations available for short-term parking in the metropolitan traffic district is 7,207 stalls, and for long-term parking, 10,917 stalls. The letter stated further that there was a need for additional off-street parking on the basis of 1954 demand—for short-term parking, 8,706 stalls and for long-term parking demand, 17,843.

After a survey of the parking situation, the City Engineer recommended construction of five new garages with a capacity of 4,890 stalls and the acquisition of two new parking lots with a capacity of 800 stalls, for a total of 5,690 parking stalls, estimated to cost \$17,754,000. The program urged by the Parking Authority and included in the \$11,000,000 bond program would provide a total of 4,787 additional parking stalls.

The San Francisco Garage Owners Association does not concur with the Parking Authority's position as to the city's needs. The Association conducted a survey among its members and such non-members as were willing to cooperate

early in 1954. The group states that this survey determined that a minimum of 1,500 stalls was available in the metropolitan district at the peak hour. To this should be added the available stalls in unreported facilities plus a considerable number of stalls available in facilities opened since this survey, such as St. Mary's Garage and the new Downtown Center Garage. It is the opinion of those who have studied the parking problem that in some instances price is a factor where there are vacancies, and that 100 per cent occupancy is virtually impossible where there are short-term parkers and a constant turnover.

Proposition "D" has widespread support from district merchant groups, downtown civic and business organizations, the Planning and Housing Association and the Parking and Transit Council. The latter conducted studies of the parking problem over a period of several months.

An effective rapid transit system, because of its tremendous cost and large operating losses, seems remote at this time. Transportation is particularly vital to San Francisco, because this city is the service center for this region and Central and Northern California. In order to preserve this pre-eminent position and avoid decentralization, the city must be made accessible to automobiles, because the automobile is today the primary means of transportation. Other means of transportation have been steadily losing passengers year after year, and some have been abandoned. The state highway department is building freeways into the major cities, including San Francisco, from the increasing volume of gas tax funds. The state, however, is not providing parking areas. This is the cities' problem, and the San Francisco Parking Authority has been created to find a solution for this problem. Proposition "D" is the result of its efforts to aid the motorist.

Proposition "E"

Confidential Secretaries for City Attorney and Public Defender

This charter amendment would add Section 34.2 and would give both the City Attorney and the Public Defender the power to appoint a confidential secretary. The new positions would be non-civil service, and the appointees would serve at the pleasure of the City Attorney and Public Defender.

A number of city and county offices now have positions of confidential secretaries; and, therefore, this amendment is not establishing a precedent. Among these are the Mayor, the District Attorney, the Sheriff and the Assessor. The additional cost to the taxpayers of creating these two positions has not been reported by the Controller, as the salaries have not been determined.

Proposition "F"

Leaves of Absence

City and county officers could be absent from the state for 21 days without obtaining a leave of absence approved by the Mayor and Board of Supervisors under the terms of this charter amendment. This would involve a change from the present charter provisions, which require such approval for leaves of absence for any trips by officers outside of the state.

There are a large number of city and county officers specified by the charter. They include elective officers, members of boards and commissions and department heads. As these individuals make frequent departures from the state on vacations and business it is now necessary for the Mayor and Supervisors to act often on leaves of absence. The purpose of this amendment is to reduce materially the number of leaves that must be acted upon by providing a period for which permission will not be required.

Proposition "G"

Effective Date of Ordinances

Ordinances which are not subject to referendum would become effective upon passage, if this measure is approved by the voters. At present there is provided a ten-day waiting period before ordinances that have been finally passed by the Board of Supervisors are effective. There is no apparent reason for such a delay on legislation that is not subject to referendum. Ordinances not subject to referendum are specifically set forth in the charter and are principally fiscal in nature (dealing with appropriations, the annual salary ordinance, tax levying ordinances), ordinances connected with emergency powers of the Mayor and ordinances on purely administrative matters.

The measure is similar to a charter change recently approved that reduced the time required for the Supervisors to act on ordinances by one week. The objective of Proposition "G" is to speed up city business by making legislation effective ten days earlier than at present.

Proposition "H"

Election Provisions

This amendment proposes minor changes in seven charter sections by deleting obsolete and unnecessary language, revising candidates' filing dates and raising the amount for the special election fund in line with present costs. The measure also adds language to Section 173 that states a policy of employing sufficient clerks for the convenient registration of voters, a policy now carried out by the Registrar of Voters by placing clerks in various parts of the city.

Candidates for elective offices could file their candidacy five days earlier than at present—55 days before a municipal election instead of 50 days, as now provided. This is in order to give the Registrar more time for printing and

mailing ballots. A new sentence is added to provide that a candidate can reject any unsolicited sponsor. Candidates desiring to withdraw from an election would have to do so 35 days before the election instead of 30 days, as now provided.

The procedure for checking petitions would be simplified by deleting the present provision of checking questioned signatures by mail and by affidavit made before a notary public.

Proposition "H" would increase from \$50,000 to \$140,000 the amount required by charter to be placed in each annual budget for a special election fund. The latter is the amount estimated to be necessary for conducting such an election. This would be a non-recurring expenditure, and \$90,000 would be required to establish the \$140,000 fund. The last special election held independently of a general election was a recall election in 1946.

Proposition "I"

Election Provisions

Proposition "I" would delete the provision in Section 9 of the charter that states that it is the duty of the Board of Supervisors to canvass the vote cast at each election. This function is performed by the Registrar of Voters, and removal of this language would clarify the situation.

As a part of the amendment language would be deleted relating to the establishment of a night university by the Supervisors and the voters. State law controls the creation and operation of schools, so that the existing charter provision is of little or no value.

Proposition "J"

Police Retirement Allowances

This charter amendment would give retired police officers an adjustment in their retirement allowance of up to \$25 per month, with a ceiling of \$220 per month specified. Proposition "J" is the second adjustment requested for retired police, the first having been granted in 1952 and having the effect of raising most officers to a minimum allowance of \$170 per month.

The justification for approval of this increase in allowances is stated to be the effect that inflation has had upon persons living on a retirement allowance. The same case is presented for retired persons affected by Proposition "K," which is also a retirement adjustment measure.

The Bureau of Labor Statistics' Consumers Price Index shows that the cost of living has remained almost unchanged since 1952 when the retirement allowance for this group was increased. The latter was considered a cost-of-living adjustment and was generally supported and approved on this basis.

Proposition "J" will apply to persons retired prior to election day, November 8, 1955. The actuarial report on this measure shows that there are 427 retired employees affected. The total cost of adjustments, which will be borne by the city and county, is reported to be \$1,401,050, and the first annual payment would be \$118,679, equivalent to nine-tenths of a cent in the tax rate.

Proposition "K"

Retirement Allowances, Miscellaneous Employees

Employees retired prior to July of 1952 under the old city retirement system (Charter Section 165) would receive an increase of up to \$25 on their retirement allowances under this amendment. Persons with 20 years or more service would get the \$25 increase, and those with less service would receive a prorated amount. For example, a retired employee who completed ten years' service would receive a \$12.50 increase.

For those employees who retired before July, 1949, Proposition "K" would be the third adjustment in their original retirement allowance. In 1949 and in 1952 the voters approved \$25 increases on the same basis as this measure. The result of these previous adjustments has been that persons retired under the old system are now receiving more than those retired under the city's new system with equivalent service.

Retired employees under the new system are now requesting an increase in their allowances, a proposition that may be submitted to the voters next year.

The bases given by the proponents for the adjustment provided by Proposition "K" are the increased cost of living, the adjustments made by other public retirement systems and the advanced age of the persons involved.

A breakdown of the retirement allowances now being received shows that among those retired for service, 486 receive less than \$150 per month, 90 receive under \$200 and 24 over \$200. In the disability group, 339 now get less than \$150, nine receive between \$150 and \$200 monthly and one receives over \$200.

Many of the recipients of low retirement allowances are persons with less than 20 years of service with the city. The statements made in connection with Proposition "J" relative to cost of living also apply to this measure. The voters approved \$25 increases in 1949 and 1952 to take care of hardship cases brought about by the rapid increases in the cost of living.

According to the actuarial report prepared in connection with Proposition "K" the total cost of the adjustments would be \$1,862,407, and the first annual payment would be \$205,870, of which \$201,193 would be from taxes. This is equal to 1.6 cents in the tax rate. The city and county would bear the entire cost of Proposition "K," no further contributions being made by retired employees.

Proposition "L"

Police and Firemen's Uniform Allowances

Each member of the several ranks of the Police and Fire Department would receive annually a \$150 cash uniform allowance in addition to his salary if Proposition "L" is approved by the voters. All ranks would receive this money, including the chiefs of the departments, who receive \$14,208 annually in salary. Apparently, employees who do not wear uniforms in their usual duties, such as plainclothes detectives (inspectors) would also be paid the allowance.

The case advanced for this proposition is that policemen and firemen must now pay for their uniforms and equipment, both initially and for replacements. However, this is also true for the numerous other city employees required to wear uniforms.

In order to determine the prevailing practice in other cities in this matter, this Bureau obtained comparative data on salaries and uniform allowances in 16 cities of over 500,000 population and for the California cities of over 100,000 population, which are used as a basis for setting police and fire salaries here. These figures show that San Francisco now has a salary range which is the highest among the large cities checked. Los Angeles, which provided the basis for setting San Francisco's maximum salary, has no uniform allowance. While some cities provide uniform allowances San Francisco's high salary rates exceed the salaries and uniform allowances in most cities.

The Controller reports that Proposition "L" would cost \$516,150 a year, equal to 4 cents in the tax rate.

The San Francisco Municipal Conference disapproves of this proposition. It has offered a counter-proposal, namely, that uniforms damaged in making arrests or fighting fires be replaced. This proposal was ignored by the two groups affected and the Supervisors' committee.

Proposition "M"

Fire Department Hours

This charter amendment would result in the fire-fighting companies of the Fire Department being placed on a 24-hour shift basis. At the present time the charter specifies 10-hour day shifts for firemen and 14-hour night shifts, from 6 p.m. to 8 a.m.

The amendment states that the chief of department shall recommend and the commission shall provide by rule for work schedules. For all fire-fighting companies, including the salvage corps, it is specified that all shifts start at 8 a.m. This has the effect of making the 24-hour shift mandatory. Following each tour of duty it is planned that the men in the firehouses would be off for 48 hours. In each 15-day period they would work 120 hours, the same as at present.

The department has experimented with the 24-hour shift in recent months, and the Fire Chief has stated that it works satisfactorily and does not result in

loss of efficiency. The desire for the change in hours originates with the men of the department.

Eight cities in the population group of over 500,000 have the 24-hour shift. Among the cities of over 10,000 population, 686 have a 24-hour shift and 188 a 10-hour shift.

As a part of Proposition "M" certain positions are added to the listing of ranks in the department. This addition would mean a change in the method of setting salaries for two officers, the Chief of Division of Fire Prevention and Investigation and the Inspector of Fire Department Apparatus. Their salaries would be established in the same manner as other members of the Fire Department, instead of by salary standardization under charter section 151. A new rank, that of Supervisor of Assignments, would be added to the department by the amendment. The duties of this position are now being performed by a captain.

The Controller reports no additional cost to the city in connection with Proposition "M."

Proposition "N"

Increase in Municipal Railway Employees' Wages and Reduction of Hours (Initiative)

This initiative measure was certified for the ballot by the Supervisors following the circulation of petitions by street car and bus operators and the obtaining of 42,272 valid signatures. The minimum required to qualify was 41,625.

Proposition "N" seeks to amend two charter sections controlling wages and hours and its two principal results would be a substantial increase in railway costs and an increase in the number of railway personnel. The basic work week would be reduced from 48 to 40 hours, and wage rates in effect on April 1, 1955, would be increased 20 per cent.

The initiative petition would amend Section 125 as well as 151.3 of the charter. As amended, Section 125 would guarantee a minimum of 8 hours' work per day, to be completed within 10 consecutive hours, and 2 consecutive days' rest per week. Existing language provides that the basic hours of labor shall be 8 hours, to be completed within 10 consecutive hours, with a minimum of one day of rest per week.

Approval of Proposition "N" would also make ineffective a provision of the charter that specifies that no employee shall be paid for time not worked. This section (150) is removed as an employment condition for carmen by the could result in the payment of public money to this group of municipal railway "notwithstanding the provisions of Section 150 of this charter." This way employees for time not worked; otherwise, the guaranteed employment provision that insures them a minimum 8-hour day and 5-day week would be ineffective. Simply stated, it means that carmen could be paid for the guaranteed time whether or not they operated railway equipment.

The change that would increase the cost of operation substantially is the

proposed amendment to Section 151.3 of the charter, which states that the Board of Supervisors shall fix rates of pay for platform employees and coach operators of the Municipal Railway that shall be 20 per cent higher than the rates in effect on April 1, 1955. These rates would become effective on July 1, 1956, if the measure is successful. Thereafter the carmen's pay rate must follow, percentagewise, the rates of pay established each year for nine selected crafts. The Board of Supervisors must determine the per cent relationship the carmen's wage rate (after the 20 per cent raise effective July 1, 1956) bears to the average of the hourly rates paid on July 1, 1956, to carpenters, car and auto painters, laborers, garagemen and five electrical crafts. This would establish an unrelated base for fixing wages and would remove carmen's wages from comparison with other transit system rates.

The initiative also removes the provision for six holidays now a part of Section 151.3 and would make the number of holidays a matter of ordinance by the Board of Supervisors.

The maximum rate currently being paid motormen and bus operators is \$2.04 per hour and is equal to the highest rate paid in cities of 100,000 population or over in the state. The 20 per cent increase over April 1 rates provided by this proposed amendment would increase the hourly rate to \$2.327. The cost to the city and county currently for fringe benefits such as vacations, sick leave, social security and pensions, is approximately 18 per cent per hour additional. Thus the true comparison of manpower cost is \$2.407 per hour currently being paid as against \$2.745 proposed by the terms of the carmen's initiative petition. Carmen now may be paid wages equal to the highest paid in any of the six largest California cities with transit systems of 100 or more employees.

In order to maintain the 15-cent fare, the consolidated budget for 1955-56 includes \$3,102,691 from property taxes for support of the Municipal Railway.

The Controller estimates that the passage of Proposition "N" would increase the cost to the taxpayers from \$1,560,000 to \$1,860,000, or 12.2 cents to 15 cents in the tax rate. Thus, the taxpayers would be forced to contribute a total of 37.6 cents to 40.4 cents to support the 15-cent fare on the Municipal Railway. If the system were to be made self supporting the fare would have to be advanced to 18 or 20 cents to meet the deficit.

The San Francisco Municipal Conference and its member organizations are opposed to adoption of this initiative charter amendment.

San Francisco Bureau of Governmental Research

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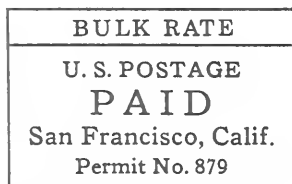
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